


STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING						FORM 3 AMENDED REPORT <input checked="" type="checkbox"/>							
APPLICATION FOR PERMIT TO DRILL						1. WELL NAME and NUMBER Appaloosa 16-12D-5-5							
2. TYPE OF WORK DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/>						3. FIELD OR WILDCAT BRUNDAGE CANYON							
4. TYPE OF WELL Oil Well Coalbed Methane Well: NO						5. UNIT or COMMUNITIZATION AGREEMENT NAME							
6. NAME OF OPERATOR APPALOOSA OPERATING COMPANY LLC						7. OPERATOR PHONE 832 419-0889							
8. ADDRESS OF OPERATOR 1776 Woodstead Ct., Suite 121, The Woodlands, TX, 77380						9. OPERATOR E-MAIL BPosay@AppaloosaEnergy.com							
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) Fee			11. MINERAL OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>			12. SURFACE OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>							
13. NAME OF SURFACE OWNER (if box 12 = 'fee') Utah Division of Wildlife Resources						14. SURFACE OWNER PHONE (if box 12 = 'fee')							
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee') 1594 West North Temple, Suite 2110, Salt Lake City, UT 84114						16. SURFACE OWNER E-MAIL (if box 12 = 'fee')							
17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')			18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS YES <input type="checkbox"/> (Submit Commingling Application) NO <input checked="" type="checkbox"/>			19. SLANT VERTICAL <input type="checkbox"/> DIRECTIONAL <input checked="" type="checkbox"/> HORIZONTAL <input type="checkbox"/>							
20. LOCATION OF WELL		FOOTAGES		QTR-QTR		SECTION		TOWNSHIP		RANGE		MERIDIAN	
LOCATION AT SURFACE		1540 FSL 247 FEL		NESE		12		5.0 S		5.0 W		U	
Top of Uppermost Producing Zone		1035 FSL 438 FEL		SESE		12		5.0 S		5.0 W		U	
At Total Depth		660 FSL 660 FEL		SESE		12		5.0 S		5.0 W		U	
21. COUNTY DUCHESENE			22. DISTANCE TO NEAREST LEASE LINE (Feet) 442			23. NUMBER OF ACRES IN DRILLING UNIT 40							
			25. DISTANCE TO NEAREST WELL IN SAME POOL (Approved For Drilling or Completed) 1843			26. PROPOSED DEPTH MD: 6487 TVD: 6400							
27. ELEVATION - GROUND LEVEL 6293			28. BOND NUMBER 0279605731			29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE 49-2204							
Hole, Casing, and Cement Information													
String	Hole Size	Casing Size	Length	Weight	Grade & Thread	Max Mud Wt.	Cement	Sacks	Yield	Weight			
SURF	12.25	8.625	0 - 650	24.0	J-55 ST&C	8.6	Class G	310	1.15	15.8			
PROD	7.875	5.5	0 - 6487	15.5	J-55 LT&C	8.9	Hi Lift "G"	180	3.82	11.0			
							50/50 Poz	445	1.26	14.2			
ATTACHMENTS													
VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES													
<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER						<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN							
<input type="checkbox"/> AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)						<input type="checkbox"/> FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER							
<input checked="" type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)						<input checked="" type="checkbox"/> TOPOGRAPHICAL MAP							
NAME Shirl Ames				TITLE Document Control Specialist				PHONE 307 675-6400					
SIGNATURE				DATE 07/25/2012				EMAIL Shirl.Ames@woodgroup.com					
API NUMBER ASSIGNED 43013515970000				APPROVAL  Permit Manager									

APPALOOSA OPERATING COMPANY, LLC

Appaloosa 16-12D-5-5

Surface Location: NE ¼, SE ¼, 1540' FSL 247' FEL, Section 12, T5S, R5W, U.S.B. &M.

Bottom Hole Location: SE1/4, SE1/4, 660' FSL 660' FEL, Section 12, T5S, R5W, U.S.B.&M

Duchesne County, UT

ONSHORE ORDER NO.1

DRILLING PROGRAM**1,2 Estimated Tops of Geological Markers and Formations Expected to Contain Water, Oil and Gas, and Other Minerals.**

FORMATION	Depth @ SHL(TVD)	Depth @ BHL(MD)
Uinta Fm	On Surface	On Surface
Green River Fm	1777'	1794'
Mahogany	2477'	2507'
*Garden Gulch Mbr	3540'	3589'
*Douglas Creek Mbr	4335'	4398'
*Castle Peak Mbr	5250'	5329'
*Uteland Butte Mbr.	5690'	5774'
Wasatch	6100'	6187'
TD	6400'	6487'

*PROSPECTIVE PAY

Appaloosa is locating the well at the proposed surface location and directionally drilling to the proposed bottom hole location. By drilling directionally, Appaloosa Operating Company will improve field development efficiency by potentially combining multiple surface hole locations together. This will significantly reduce total surface disturbance plus combine the use of access roads and existing pipelines. Furthermore, Appaloosa hereby certifies that it is the sole working interest owner with 460 feet of the entire directional well bore.

3 Pressure Control Equipment (Schematic attached)

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc. A 2M system will be utilized. The attached diagram depicts the use of an annular in conjunction with double rams. However, an annular, double rams, or both may be used depending on the drilling rig contracted. Chart recorders will be used for all pressure tests.

Test Charts with individual test results identified, shall be maintained on location while drilling and shall be made available to a representative upon request.

Appaloosa Operating Company, LLC
Appaloosa 16-12D-5-5

Drilling Program
Duchesne County, Utah

All required BOP tests and/or drills shall be recorded in the IADC report.

The anticipated bottom hole pressure will be less than 2,000 psi.

4 Proposed Casing and Cementing Program

The proposed Casing Program will be as follows:

Purpose	Depth	Hole Size	Casing Size	Type	Connection	Weight
Surface	650'	12.25"	8.625"	J-55	ST&C	24#
Production	6487'	7.875"	5.5"	J-55	LT&C	15.5#

Surface	Fill	Type and Amount
0'-650'	650'	Approximately 310 sks Class "C" (Type III) cement + additives or a similar slurry with a minimum weight of 15.8 ppg and approximate yield of 1.15 cf/sk, minimum 24 hr compressive strength = 500 psi (Cement will be circulated to surface and topped off, if necessary.)

Production	Type and Amount
0' - 3500'	Approximately 180 sks HiFill Lead Cement + additives or a similar slurry with a minimum weight of 11.0 ppg and approximate yield of 3.82 cf/sk
3500' - 6487'	Approximately 445 sks 50/50 Poz Tail Cement + additives or a similar slurry with a minimum weight of 14.2 ppg and approximate yield of 1.26 cf/sk

For production casing, actual cement volumes will be determined from the caliper log plus a minimum of 15% excess.

5 Drilling Fluids Program

Interval	Weight	Viscosity	Fluid Loss	Remarks
0'-650'	8.3-8.6	27-40	NC	Spud Mud
650' - TD	8.6-8.9	27-40	NC	KCL Water

Appaloosa Operating Company, LLC will use either a Manual or Electronic drilling fluid monitoring system on all well sites.

Appaloosa Operating Company, LLC
Appaloosa 16-12D-5-5

Drilling Program
Duchesne County, Utah

6 Evaluation Program

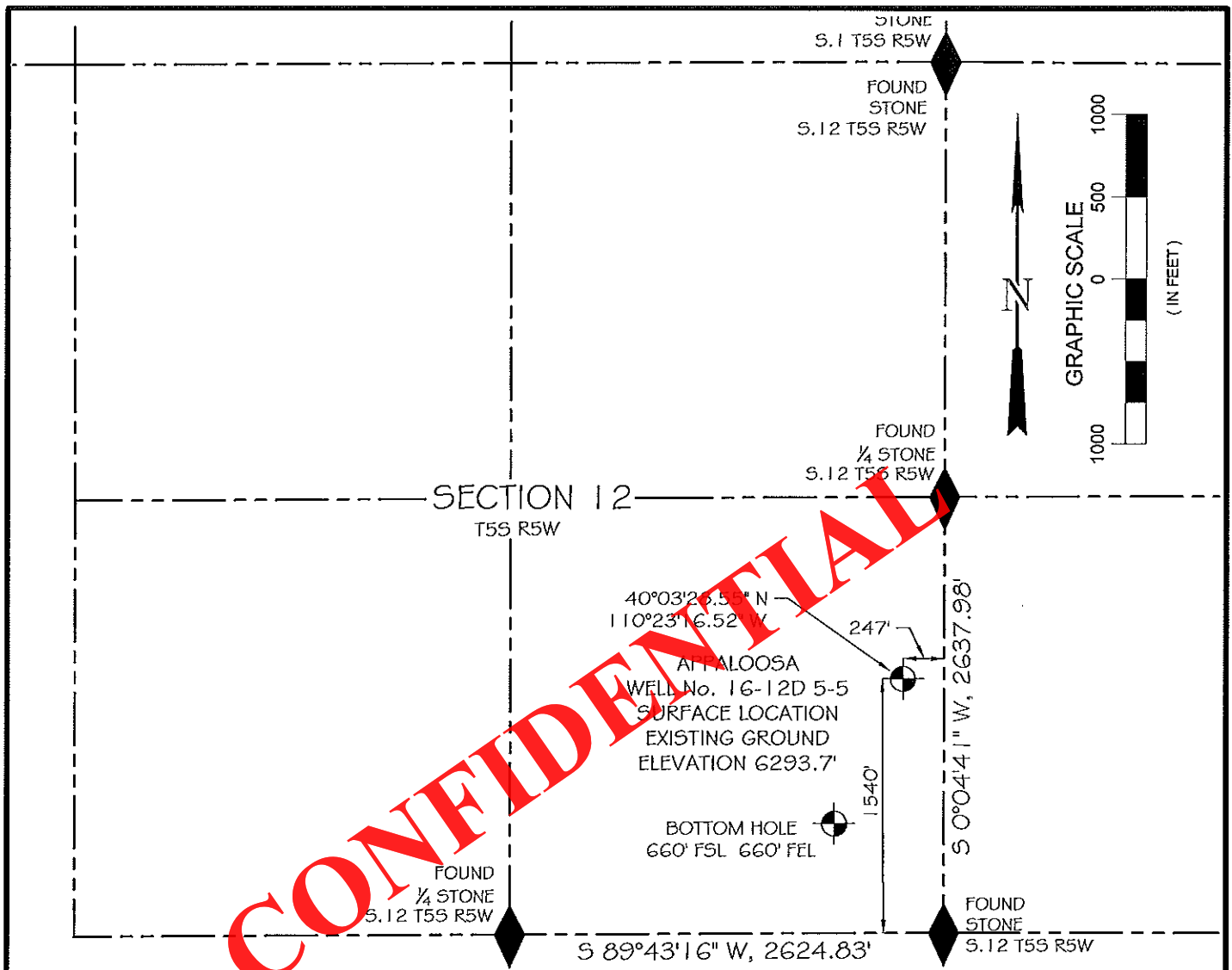
Logging Program:	HRI-GR-SP with SDL-DSN-PE: surface casing to TD. Preserve samples from all show intervals.
Sampling:	10' dry cut samples: Douglas Creek to TD. Preserve samples from all show intervals.
Surveys:	As deemed necessary
Mud Logger:	As deemed necessary
Drill Stem Tests:	As deemed necessary
Cores:	As deemed necessary

7 Abnormal Conditions

No abnormal temperatures or pressures or other hazards are anticipated.

8 Anticipated Starting Dates and Notification of Operations

Drilling Activity:	
Anticipated Commencement Date:	Upon approval of the APD.
Drilling Days:	Approximately 9 days.
Completion Days:	Approximately 7 days

BASIS OF BEARING

Geodetic North at CP WOOD

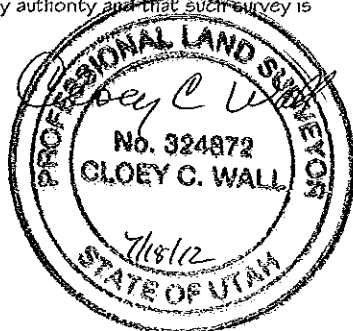
40°04'04.86465" N, 110°23'05.75067" W (NAD 83)

BASIS OF ELEVATION

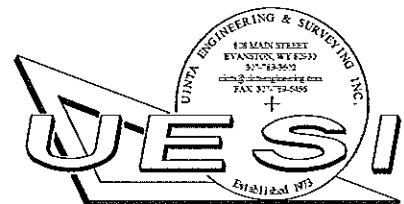
NAVD 88 using Geoid 09

CERTIFICATE OF SURVEYORSTATE of WYOMING)
COUNTY of UINTA) ss

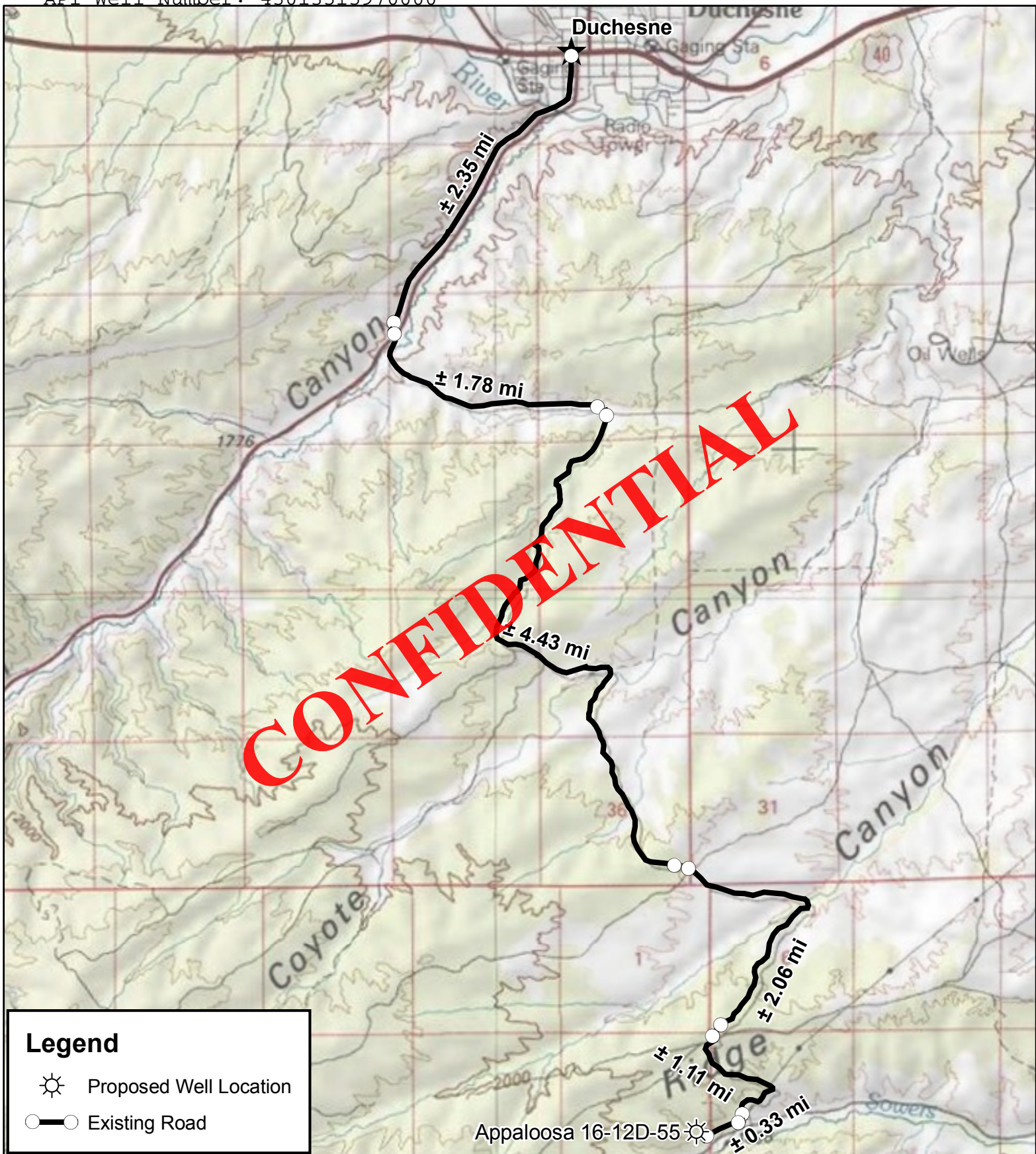
I, Cloey C. Wall, of Uinta Engineering and Surveying, Inc. hereby state that I am by occupation a Professional Land Surveyor employed by the Wood Group PSN to make the survey of the well described and shown on this plat; that the survey of said works was made under my supervision and under my authority and that such survey is accurately represented hereon.



Map to ACCOMPANY
APPLICATION FOR for PERMIT to DRILL
APPALOOSA WELL No. 16-12D 5-5
1540' FSL, 247' FEL
SECTION 12, T5S, R5W, USB#M
DUCHESE COUNTY, UT



DATE: 05/26/12 JOB #: 12-113 FILE: 12-113
DRAWN BY: Theresa Weston SURVEYOR: Cloey Wall



PREPARED FOR:



CREATED BY:



APPALOOSA ENERGY

Appaloosa 16-12D-55
SEC. 12, T5S, R5W
Duchesene County, UT

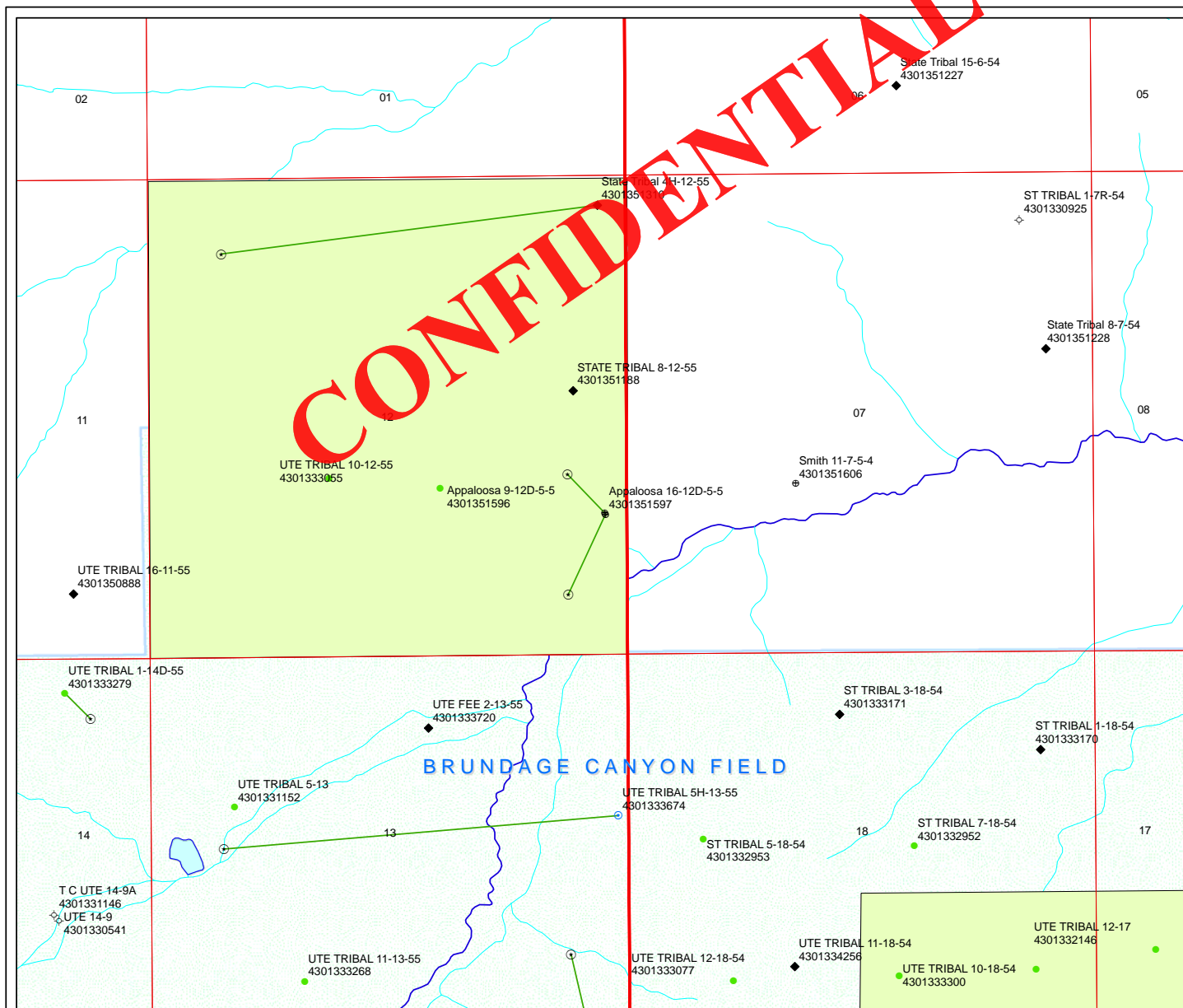
DRAWN BY: MANNY RODRIGUEZ
DATE: 7/12/2012
SCALE: 1 inch = 4,500 feet

ACCESS ROAD MAP

TOPOGRAPHIC MAP

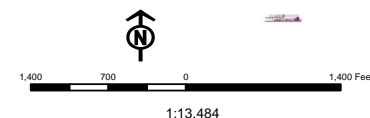
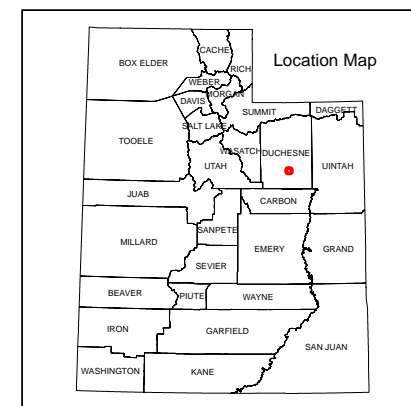
SHEET
A

RECEIVED: July 25, 2012



API Number: 4301351597
Well Name: Appaloosa 16-12D-5-5
Township T05.0S Range R05.0W Section 12
Meridian: UBM
Operator: APPALOOSA OPERATING COMPANY LLC
 Map Prepared:
 Map Produced by Diana Mason

Units	Wells Query
STATUS	Status
ACTIVE	APD - Approved Permit
EXPLORATORY	DRL - Spudded (Drilling Commenced)
GAS STORAGE	GIW - Gas Injection
NF PP OIL	GS - Gas Storage
NF SECONDARY	LOC - New Location
PI OIL	OPS - Operation Suspended
PP GAS	PA - Plugged Abandoned
PP GEOTHERM	PGW - Producing Gas Well
PP OIL	SGW - Shut-in Gas Well
SECONDARY	SOW - Shut-in Oil Well
TERMINATED	TA - Temp. Abandoned
Fields	TW - Test Well
Unknown	WDW - Water Disposal
ABANDONED	WW - Water Injection Well
ACTIVE	WSW - Water Supply Well
COMBINED	Bottom Hole Location - Oil/Gas/Dib
INACTIVE	
STORAGE	
TERMINATED	



Well Planning Proposal FOR

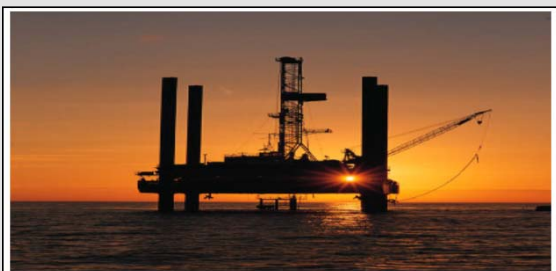
Appaloosa Operating Co. LLC
Appaloosa 16-12D-5-5
Duchesne Co., UT

Well File: Design #1 (7/23/12)

Presented By:

Pat Rasmussen
Regional Manager

Bret Wolford
Well Planner



Appaloosa Operating Co. LLC
 Project: Duchesne Co., UT (NAD83)
 Site: Sec.12-T5S-R5W
 Well: Appaloosa 16-12D-5-5
 Wellbore: Wellbore #1
 Design: Design #1
 Latitude: 40° 3' 28.550 N
 Longitude: 110° 23' 16.520 W
 Ground Level: 6293.70
 WELL @ 6293.70usft (Original Well Elev)



PROJECT DETAILS: Duchesne Co., UT (NAD83)

Geodetic System: US State Plane 1983
 Datum: North American Datum 1983
 Ellipsoid: GRS 1980
 Zone: Utah Central Zone

System Datum: Mean Sea Level

REFERENCE INFORMATION

Co-ordinate (N/E) Reference: Well Appaloosa 16-12D-5-5, True North
 Vertical (TVD) Reference: WELL @ 6293.70usft (Original Well Elev)
 Section (VS) Reference: Slot - (0.00N, 0.00E)
 Measured Depth Reference: WELL @ 6293.70usft (Original Well Elev)
 Calculation Method: Minimum Curvature

WELL DETAILS: Appaloosa 16-12D-5-5

+N/-S	+E/-W	Northing	Ground Level:	Latitude	Longitude	Slot
0.00	0.00	7191760.073	6293.70	40° 3' 28.550 N	110° 23' 16.520 W	
		1951679.113				

WELLBORE TARGET DETAILS (MAP CO-ORDINATES AND LAT/LONG)

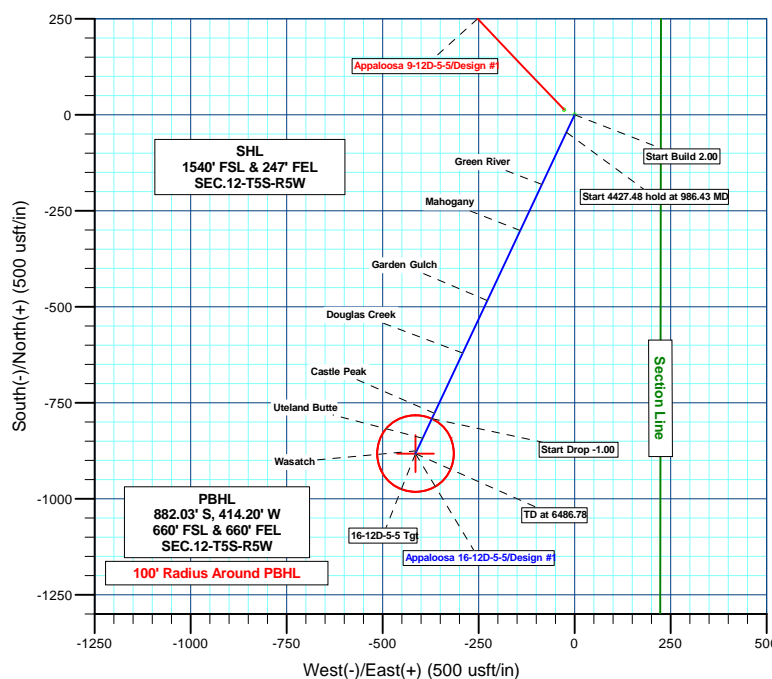
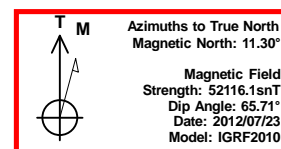
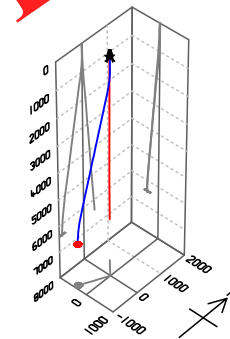
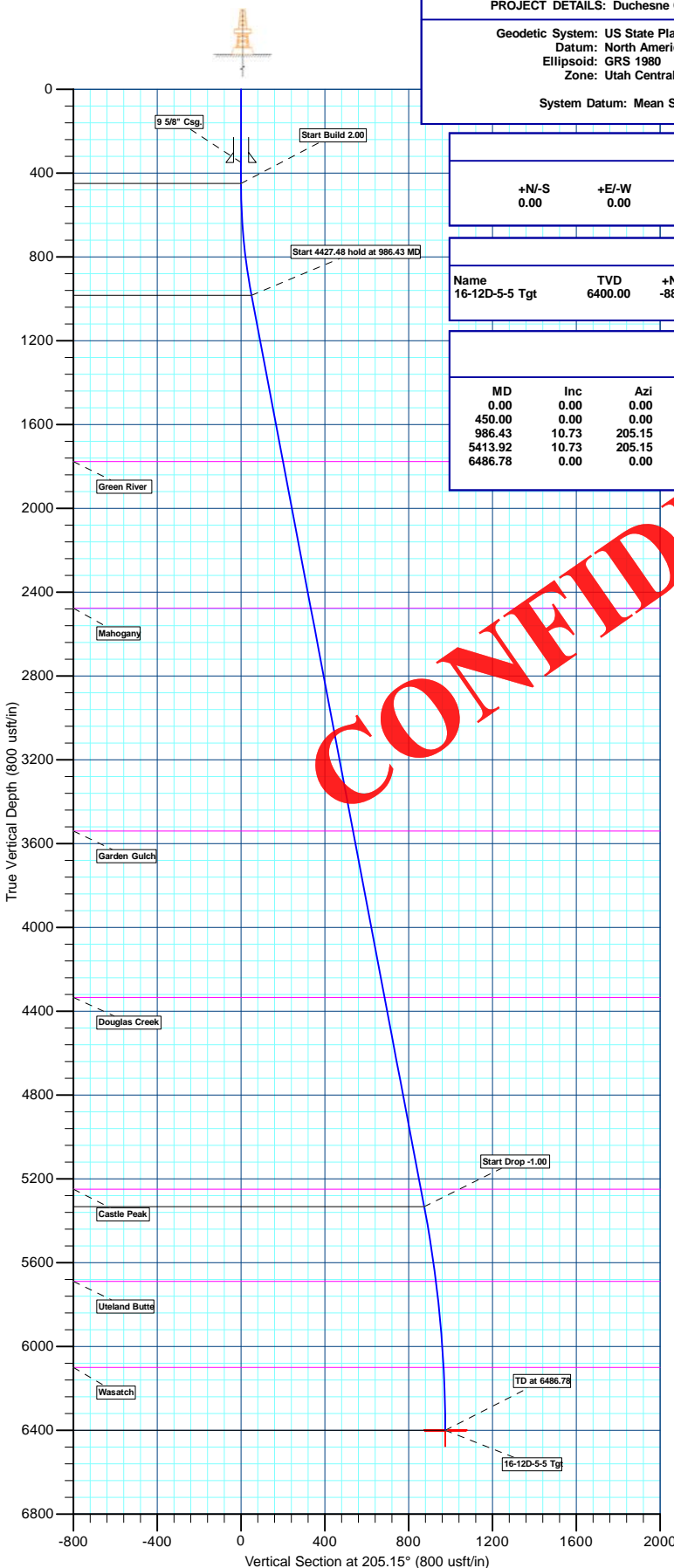
Name	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Shape
16-12D-5-5 Tgt	6400.00	-882.03	-414.20	7190872.961	1951275.911	40° 3' 19.833 N	110° 23' 21.847 W	Circle (Radius: 100.00)

SECTION DETAILS

MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	VSeet	Annotation
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
450.00	0.00	0.00	450.00	0.00	0.00	0.00	0.00	0.00	Start Build 2.00
986.43	10.73	205.15	983.30	45.33	-21.28	2.00	205.15	50.08	Start 4427.48 hold at 986.43 MD
5413.92	10.73	205.15	5333.39	-751.37	371.63	0.00	0.00	874.29	Start Drop -1.00
6486.78	0.00	0.00	6400.00	-882.03	-414.20	1.00	180.00	974.44	TD at 6486.78

FORMATION TOP DETAILS

TVDPath	MDPath	Formation
1777.00	1794.25	Green River
2477.00	2506.70	Mahogany
3540.00	3588.62	Garden Gulch
4335.00	4397.76	Douglas Creek
5250.00	5329.04	Castle Peak
5690.00	5774.95	Uteland Butte
6100.00	6186.64	Wasatch



Plan: Design #1 (Appaloosa 16-12D-5-5/Wellbore #1)

Created By: Bret Wolford Date: 15:01, July 23 2012

Appaloosa Operating Co. LLC

Duchesne Co., UT (NAD83)

Sec.12-T5S-R5W

Appaloosa 16-12D-5-5

Wellbore #1

Plan: Design #1

Standard Planning Report

23 July, 2012

CONFIDENTIAL



Sharewell Energy Services

Planning Report



Database:	EDM 5000.1 Single User Db	Local Co-ordinate Reference:	Well Appaloosa 16-12D-5-5
Company:	Appaloosa Operating Co. LLC	TVD Reference:	WELL @ 6293.70usft (Original Well Elev)
Project:	Duchesne Co., UT (NAD83)	MD Reference:	WELL @ 6293.70usft (Original Well Elev)
Site:	Sec.12-T5S-R5W	North Reference:	True
Well:	Appaloosa 16-12D-5-5	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Design #1		

Project	Duchesne Co., UT (NAD83)		
Map System:	US State Plane 1983	System Datum:	Mean Sea Level
Geo Datum:	North American Datum 1983		
Map Zone:	Utah Central Zone		

Site		Sec.12-T5S-R5W			
Site Position:		Northing:	7,191,772.896 usft	Latitude:	40° 3' 28.680 N
From:	Lat/Long	Easting:	1,951,651.739 usft	Longitude:	110° 23' 16.870 W
Position Uncertainty:	0.00 usft	Slot Radius:	13-3/16"	Grid Convergence:	0.71 °

Well	Appaloosa 16-12D-5-5					
Well Position	+N/-S	-13.16 usft	Northing:	7,191,760.013 usft	Latitude:	40° 3' 28.550 N
	+E/-W	27.21 usft	Easting:	1,951,679.113 usft	Longitude:	110° 23' 16.520 W
Position Uncertainty		0.00 usft	Wellhead Elevation:		Ground Level:	6,293.70 usft

Wellbore	Wellbore #1				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF2010	07/23/12	11.30	65.71	52,116

Design	Design #1			
Audit Notes:				
Version:	Phase:	PLAN	Tie On Depth:	0.00
Vertical Section:	Depth From (TVD) (usft)	+N/-S (usft)	+E/-W (usft)	Direction (°)
	0.00	0.00	0.00	205.15

Plan Sections										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
450.00	0.00	0.00	450.00	0.00	0.00	0.00	0.00	0.00	0.00	
986.43	10.73	205.15	983.30	-45.33	-21.29	2.00	2.00	0.00	205.15	
5,413.92	10.73	205.15	5,333.39	-791.37	-371.63	0.00	0.00	0.00	0.00	
6,486.78	0.00	0.00	6,400.00	-882.03	-414.20	1.00	-1.00	0.00	180.00	16-12D-5-5 Tgt

Sharewell Energy Services

Planning Report



Database:	EDM 5000.1 Single User Db	Local Co-ordinate Reference:	Well Appaloosa 16-12D-5-5
Company:	Appaloosa Operating Co. LLC	TVD Reference:	WELL @ 6293.70usft (Original Well Elev)
Project:	Duchesne Co., UT (NAD83)	MD Reference:	WELL @ 6293.70usft (Original Well Elev)
Site:	Sec.12-T5S-R5W	North Reference:	True
Well:	Appaloosa 16-12D-5-5	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Design #1		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
100.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00
200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00
9 5/8" Csg.									
350.00	0.00	0.00	350.00	0.00	0.00	0.00	0.00	0.00	0.00
400.00	0.00	0.00	400.00	0.00	0.00	0.00	0.00	0.00	0.00
Start Build 2.00									
450.00	0.00	0.00	450.00	0.00	0.00	0.00	0.00	0.00	0.00
500.00	1.00	205.15	500.00	-0.39	-0.15	0.44	2.00	2.00	0.00
600.00	3.00	205.15	599.93	-3.55	-1.67	1.93	2.00	2.00	0.00
700.00	5.00	205.15	699.68	-9.87	-4.65	10.90	2.00	2.00	0.00
800.00	7.00	205.15	799.13	-19.33	-9.08	21.35	2.00	2.00	0.00
900.00	9.00	205.15	898.15	-31.63	-13.99	35.27	2.00	2.00	0.00
Start 4427.48 hold at 986.43 MD									
986.43	10.73	205.15	983.30	-45.33	-21.29	50.08	2.00	2.00	0.00
1,000.00	10.73	205.15	996.65	-47.61	-22.36	52.60	0.00	0.00	0.00
1,100.00	10.73	205.15	1,094.39	-64.46	-30.27	71.22	0.00	0.00	0.00
1,200.00	10.73	205.15	1,193.14	-81.31	-38.19	89.83	0.00	0.00	0.00
1,300.00	10.73	205.15	1,291.39	-98.17	-46.10	108.45	0.00	0.00	0.00
1,400.00	10.73	205.15	1,389.64	-115.02	-54.01	127.07	0.00	0.00	0.00
1,500.00	10.73	205.15	1,487.89	-131.87	-61.92	145.68	0.00	0.00	0.00
1,600.00	10.73	205.15	1,586.15	-148.72	-69.84	164.30	0.00	0.00	0.00
1,700.00	10.73	205.15	1,684.40	-165.57	-77.75	182.91	0.00	0.00	0.00
Green River									
1,794.25	10.73	205.15	1,777.00	-181.45	-85.21	200.46	0.00	0.00	0.00
1,800.00	10.73	205.15	1,782.65	-182.42	-85.66	201.53	0.00	0.00	0.00
1,900.00	10.73	205.15	1,880.90	-199.27	-93.58	220.14	0.00	0.00	0.00
2,000.00	10.73	205.15	1,979.15	-216.12	-101.49	238.76	0.00	0.00	0.00
2,100.00	10.73	205.15	2,077.41	-232.97	-109.40	257.38	0.00	0.00	0.00
2,200.00	10.73	205.15	2,175.66	-249.82	-117.31	275.99	0.00	0.00	0.00
2,300.00	10.73	205.15	2,273.91	-266.67	-125.23	294.61	0.00	0.00	0.00
2,400.00	10.73	205.15	2,372.16	-283.52	-133.14	313.22	0.00	0.00	0.00
2,500.00	10.73	205.15	2,470.41	-300.37	-141.05	331.84	0.00	0.00	0.00
Mahogany									
2,506.70	10.73	205.15	2,477.00	-301.50	-141.58	333.09	0.00	0.00	0.00
2,600.00	10.73	205.15	2,568.67	-317.22	-148.97	350.46	0.00	0.00	0.00
2,700.00	10.73	205.15	2,666.92	-334.07	-156.88	369.07	0.00	0.00	0.00
2,800.00	10.73	205.15	2,765.17	-350.92	-164.79	387.69	0.00	0.00	0.00
2,900.00	10.73	205.15	2,863.42	-367.77	-172.70	406.30	0.00	0.00	0.00
3,000.00	10.73	205.15	2,961.67	-384.62	-180.62	424.92	0.00	0.00	0.00
3,100.00	10.73	205.15	3,059.93	-401.47	-188.53	443.53	0.00	0.00	0.00
3,200.00	10.73	205.15	3,158.18	-418.32	-196.44	462.15	0.00	0.00	0.00
3,300.00	10.73	205.15	3,256.43	-435.17	-204.36	480.77	0.00	0.00	0.00
3,400.00	10.73	205.15	3,354.68	-452.02	-212.27	499.38	0.00	0.00	0.00
3,500.00	10.73	205.15	3,452.93	-468.87	-220.18	518.00	0.00	0.00	0.00
Garden Gulch									
3,588.62	10.73	205.15	3,540.00	-483.80	-227.19	534.49	0.00	0.00	0.00
3,600.00	10.73	205.15	3,551.19	-485.72	-228.09	536.61	0.00	0.00	0.00
3,700.00	10.73	205.15	3,649.44	-502.57	-236.01	555.23	0.00	0.00	0.00
3,800.00	10.73	205.15	3,747.69	-519.42	-243.92	573.85	0.00	0.00	0.00
3,900.00	10.73	205.15	3,845.94	-536.27	-251.83	592.46	0.00	0.00	0.00
4,000.00	10.73	205.15	3,944.19	-553.12	-259.75	611.08	0.00	0.00	0.00

Database:	EDM 5000.1 Single User Db	Local Co-ordinate Reference:	Well Appaloosa 16-12D-5-5
Company:	Appaloosa Operating Co. LLC	TVD Reference:	WELL @ 6293.70usft (Original Well Elev)
Project:	Duchesne Co., UT (NAD83)	MD Reference:	WELL @ 6293.70usft (Original Well Elev)
Site:	Sec.12-T5S-R5W	North Reference:	True
Well:	Appaloosa 16-12D-5-5	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Design #1		

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
4,100.00	10.73	205.15	4,042.44	-569.97	-267.66	629.69	0.00	0.00	0.00
4,200.00	10.73	205.15	4,140.70	-586.83	-275.57	648.31	0.00	0.00	0.00
4,300.00	10.73	205.15	4,238.95	-603.68	-283.49	666.92	0.00	0.00	0.00
Douglas Creek									
4,397.76	10.73	205.15	4,335.00	-620.15	-291.22	685.12	0.00	0.00	0.00
4,400.00	10.73	205.15	4,337.20	-620.53	-291.40	685.54	0.00	0.00	0.00
4,500.00	10.73	205.15	4,435.45	-637.38	-299.31	704.16	0.00	0.00	0.00
4,600.00	10.73	205.15	4,533.70	-654.23	-307.22	722.77	0.00	0.00	0.00
4,700.00	10.73	205.15	4,631.96	-671.08	-315.14	741.39	0.00	0.00	0.00
4,800.00	10.73	205.15	4,730.21	-687.93	-323.05	760.00	0.00	0.00	0.00
4,900.00	10.73	205.15	4,828.46	-704.78	-330.96	778.62	0.00	0.00	0.00
5,000.00	10.73	205.15	4,926.71	-721.63	-338.88	797.23	0.00	0.00	0.00
5,100.00	10.73	205.15	5,024.96	-738.48	-346.79	815.85	0.00	0.00	0.00
5,200.00	10.73	205.15	5,123.22	-755.33	-354.70	834.47	0.00	0.00	0.00
5,300.00	10.73	205.15	5,221.47	-772.18	-362.61	853.08	0.00	0.00	0.00
Castle Peak									
5,329.04	10.73	205.15	5,250.00	-777.57	-364.91	858.49	0.00	0.00	0.00
5,400.00	10.73	205.15	5,319.72	-799.03	-370.53	871.70	0.00	0.00	0.00
Start Drop -1.00									
5,413.92	10.73	205.15	5,353.39	-791.37	-371.63	874.29	0.00	0.00	0.00
5,500.00	9.87	205.15	5,418.09	-805.30	-378.17	889.68	1.00	-1.00	0.00
5,600.00	8.87	205.15	5,516.75	-820.04	-385.09	905.95	1.00	-1.00	0.00
5,700.00	7.87	205.15	5,615.69	-833.21	-391.27	920.51	1.00	-1.00	0.00
Uteland Butte									
5,774.95	7.12	205.15	5,690.00	-842.06	-395.43	930.28	1.00	-1.00	0.00
5,800.00	6.87	205.15	5,714.86	-844.82	-396.72	933.33	1.00	-1.00	0.00
5,900.00	5.87	205.15	5,814.24	-854.86	-401.44	944.42	1.00	-1.00	0.00
6,000.00	4.87	205.15	5,913.80	-863.32	-405.42	953.78	1.00	-1.00	0.00
6,100.00	3.87	205.15	6,013.51	-870.22	-408.65	961.39	1.00	-1.00	0.00
Wasatch									
6,186.64	3.00	205.15	6,100.00	-874.92	-410.86	966.58	1.00	-1.00	0.00
6,200.00	2.87	205.15	6,113.34	-875.53	-411.15	967.27	1.00	-1.00	0.00
6,300.00	1.87	205.15	6,213.25	-879.27	-412.91	971.40	1.00	-1.00	0.00
6,400.00	0.87	205.15	6,313.22	-881.44	-413.92	973.79	1.00	-1.00	0.00
TD at 6486.78 - 16-12D-5-5 Tgt									
6,486.78	0.00	0.00	6,400.00	-882.03	-414.20	974.44	1.00	-1.00	0.00

Design Targets									
Target Name	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
16-12D-5-5 Tgt	0.00	0.00	6,400.00	-882.03	-414.20	7,190,872.961	1,951,275.911	40° 3' 19.833 N	110° 23' 21.847 W
- hit/miss target									
- Shape									
- plan hits target center									
- Circle (radius 100.00)									

Sharewell Energy Services
Planning Report



Database:	EDM 5000.1 Single User Db	Local Co-ordinate Reference:	Well Appaloosa 16-12D-5-5
Company:	Appaloosa Operating Co. LLC	TVD Reference:	WELL @ 6293.70usft (Original Well Elev)
Project:	Duchesne Co., UT (NAD83)	MD Reference:	WELL @ 6293.70usft (Original Well Elev)
Site:	Sec.12-T5S-R5W	North Reference:	True
Well:	Appaloosa 16-12D-5-5	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Design #1		

Casing Points

Measured Depth (usft)	Vertical Depth (usft)	Name	Casing Diameter (")	Hole Diameter (")
350.00	350.00	9 5/8" Csg.	9-5/8	12-1/4

Formations

Measured Depth (usft)	Vertical Depth (usft)	Name	Lithology	Dip (°)	Dip Direction (°)
1,794.25	1,777.00	Green River		0.00	
2,506.70	2,477.00	Mahogany		0.00	
3,588.62	3,540.00	Garden Gulch		0.00	
4,397.76	4,335.00	Douglas Creek		0.00	
5,329.04	5,250.00	Castle Peak		0.00	
5,774.95	5,690.00	Uteland Butte		0.00	
6,186.64	6,100.00	Wasatch		0.00	

Plan Annotations

Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates		Comment
		+N-S (usft)	+E/-W (usft)	
450.00	450.00	0.00	0.00	Start Build 2.00
986.43	983.30	-45.33	-21.29	Start 4427.48 hold at 986.43 MD
5,413.92	5,333.39	-791.37	-371.63	Start Drop -1.00
6,486.78	6,400.00	-882.03	-414.20	TD at 6486.78

Appaloosa Operating Co. LLC

Duchesne Co., UT (NAD83)

Sec.12-T5S-R5W

Appaloosa 16-12D-5-5

Wellbore #1

Design #1

Anticollision Report

23 July, 2012



Sharewell Energy Services
Anticollision Report



Company:	Appaloosa Operating Co. LLC	Local Co-ordinate Reference:	Well Appaloosa 16-12D-5-5
Project:	Duchesne Co., UT (NAD83)	TVD Reference:	WELL @ 6293.70usft (Original Well Elev)
Reference Site:	Sec.12-T5S-R5W	MD Reference:	WELL @ 6293.70usft (Original Well Elev)
Site Error:	0.00 usft	North Reference:	True
Reference Well:	Appaloosa 16-12D-5-5	Survey Calculation Method:	Minimum Curvature
Well Error:	0.00 usft	Output errors are at	2.00 sigma
Reference Wellbore	Wellbore #1	Database:	EDM 5000.1 Single User Db
Reference Design:	Design #1	Offset TVD Reference:	Offset Datum

Reference	Design #1		
Filter type:	NO GLOBAL FILTER: Using user defined selection & filtering criteria		
Interpolation Method:	Stations	Error Model:	ISCWSA
Depth Range:	Unlimited	Scan Method:	Closest Approach 3D
Results Limited by:	Maximum center-center distance of 9,999.98 usft	Error Surface:	Elliptical Conic
Warning Levels Evaluated at:	2.00 Sigma	Casing Method:	Not applied

Survey Tool Program		Date	07/23/12	
From (usft)	To (usft)	Survey (Wellbore)	Tool Name	Description
0.00	6,486.78	Design #1 (Wellbore #1)	MWD	MWD - Standard

Summary							
Site Name	Reference Measured Depth (usft)	Offset Measured Depth (usft)	Distance Between Centres (usft)	Distance Between Ellipses (usft)	Separation Factor	Warning	
Offset Well - Wellbore - Design							
Sec.12-T5S-R5W							
Appaloosa 9-12D-5-5 - Wellbore #1 - Design #1	450.00	450.00	30.23	28.43	16.810	CC, ES	
Appaloosa 9-12D-5-5 - Wellbore #1 - Design #1	600.00	598.26	34.31	31.90	14.231	SF	

Sec.12-T5S-R5W - Appaloosa 9-12D-5-5 - Wellbore #1 - Design #1												Offset Site Error:	0.00 usft	
Survey Program: 0-MWD													Offset Well Error:	0.00 usft
Reference		Offset		Semi Major Axis			Distance							Warning
Measured Depth (usft)	Vertical Depth (usft)	Measured Depth (usft)	Vertical Depth (usft)	Reference (usft)	Offset (usft)	Highside Toolface (°)	Offset Wellbore Centre +N/-S (usft)	+E/-W (usft)	Between Centres (usft)	Between Ellipses (usft)	Minimum Separation (usft)	Separation Factor		
0.00	0.00	0.00	0.00	0.00	0.00	-64.20	13.16	-27.21	30.23					
100.00	100.00	100.00	100.00	0.11	0.11	-64.20	13.16	-27.21	30.23	30.00	0.22	134.480		
200.00	200.00	200.00	200.00	0.34	0.34	-64.20	13.16	-27.21	30.23	29.55	0.67	44.827		
300.00	300.00	300.00	300.00	0.56	0.56	-64.20	13.16	-27.21	30.23	29.10	1.12	26.896		
400.00	400.00	400.00	400.00	0.79	0.79	-64.20	13.16	-27.21	30.23	28.65	1.57	19.211		
450.00	450.00	450.00	450.00	0.90	0.90	-64.20	13.16	-27.21	30.23	28.43	1.80	16.810	CC, ES	
500.00	500.00	499.50	499.50	1.00	1.01	91.73	13.47	-27.51	30.64	28.63	2.01	15.271		
600.00	599.93	598.26	598.19	1.19	1.23	99.34	15.94	-29.86	34.31	31.90	2.41	14.231	SF	
700.00	699.68	696.30	695.99	1.39	1.46	110.14	20.82	-34.51	42.99	40.14	2.85	15.087		
800.00	799.13	794.18	793.41	1.63	1.70	119.82	27.76	-41.11	57.23	53.91	3.32	17.241		
900.00	898.15	892.19	890.91	1.90	1.95	127.57	34.94	-47.95	74.90	71.10	3.80	19.711		
986.43	983.30	976.36	974.64	2.18	2.18	132.97	41.12	-53.83	92.77	88.54	4.23	21.933		
1,000.00	996.63	989.52	987.75	2.23	2.22	133.76	42.09	-54.75	95.78	91.48	4.30	22.286		
1,100.00	1,094.89	1,086.59	1,084.31	2.59	2.48	138.33	49.21	-61.53	118.36	113.56	4.80	24.638		
1,200.00	1,193.14	1,183.65	1,180.87	2.96	2.75	141.43	56.33	-68.30	141.43	136.11	5.32	26.603		
1,300.00	1,291.39	1,280.71	1,277.44	3.35	3.02	143.66	63.45	-75.08	164.78	158.95	5.83	28.248		
1,400.00	1,389.64	1,377.78	1,374.00	3.74	3.30	145.33	70.57	-81.86	188.31	181.96	6.35	29.633		
1,500.00	1,487.89	1,474.84	1,470.57	4.14	3.57	146.63	77.69	-88.64	211.96	205.08	6.88	30.811		
1,600.00	1,586.15	1,571.90	1,567.13	4.54	3.85	147.68	84.81	-95.41	235.69	228.28	7.41	31.824		
1,700.00	1,684.40	1,668.97	1,663.69	4.95	4.12	148.53	91.93	-102.19	259.48	251.55	7.94	32.700		
1,800.00	1,782.65	1,766.03	1,760.26	5.35	4.40	149.23	99.05	-108.97	283.32	274.85	8.47	33.465		
1,900.00	1,880.90	1,863.09	1,856.82	5.76	4.68	149.83	106.17	-115.75	307.19	298.19	9.00	34.138		
2,000.00	1,979.15	1,960.16	1,953.39	6.17	4.96	150.34	113.29	-122.53	331.08	321.55	9.53	34.734		
2,100.00	2,077.41	2,057.22	2,049.95	6.58	5.24	150.79	120.41	-129.30	355.00	344.94	10.07	35.265		
2,200.00	2,175.66	2,154.28	2,146.51	7.00	5.52	151.18	127.53	-136.08	378.94	368.34	10.60	35.741		

CC - Min centre to center distance or convergent point, SF - min separation factor, ES - min ellipse separation

Sharewell Energy Services

Anticollision Report



Company:	Appaloosa Operating Co. LLC	Local Co-ordinate Reference:	Well Appaloosa 16-12D-5-5
Project:	Duchesne Co., UT (NAD83)	TVD Reference:	WELL @ 6293.70usft (Original Well Elev)
Reference Site:	Sec.12-T5S-R5W	MD Reference:	WELL @ 6293.70usft (Original Well Elev)
Site Error:	0.00 usft	North Reference:	True
Reference Well:	Appaloosa 16-12D-5-5	Survey Calculation Method:	Minimum Curvature
Well Error:	0.00 usft	Output errors are at	2.00 sigma
Reference Wellbore	Wellbore #1	Database:	EDM 5000.1 Single User Db
Reference Design:	Design #1	Offset TVD Reference:	Offset Datum

Offset Design Sec.12-T5S-R5W - Appaloosa 9-12D-5-5 - Wellbore #1 - Design #1												Offset Site Error:	0.00 usft
Survey Program: 0-MWD												Offset Well Error:	0.00 usft
Reference		Offset		Semi Major Axis			Distance						Warning
Measured Depth (usft)	Vertical Depth (usft)	Measured Depth (usft)	Vertical Depth (usft)	Reference (usft)	Offset (usft)	Highside Toolface (°)	Offset Wellbore Centre +N/-S (usft)	+E/-W (usft)	Between Centres (usft)	Between Ellipses (usft)	Minimum Separation (usft)	Separation Factor	
2,300.00	2,273.91	2,251.35	2,243.08	7.41	5.80	151.52	134.65	-142.86	402.89	391.75	11.14	36.170	
2,400.00	2,372.16	2,348.41	2,339.64	7.83	6.08	151.82	141.77	-149.64	426.85	415.18	11.68	36.558	
2,500.00	2,470.41	2,445.47	2,436.21	8.24	6.36	152.09	148.89	-156.41	450.82	438.61	12.21	36.911	
2,600.00	2,568.67	2,542.53	2,532.77	8.66	6.64	152.33	156.01	-163.19	474.81	462.05	12.75	37.234	
2,700.00	2,666.92	2,639.60	2,629.34	9.07	6.92	152.55	163.13	-169.97	498.79	485.50	13.29	37.529	
2,800.00	2,765.17	2,736.66	2,725.90	9.49	7.20	152.75	170.25	-176.75	522.79	508.96	13.83	37.801	
2,900.00	2,863.42	2,833.72	2,822.46	9.90	7.48	152.93	177.38	-183.53	546.79	532.42	14.37	38.052	
3,000.00	2,961.67	2,930.79	2,919.03	10.32	7.76	153.10	184.50	-190.30	570.79	555.89	14.91	38.284	
3,100.00	3,059.93	3,027.85	3,015.59	10.74	8.05	153.26	191.62	-197.08	594.79	579.35	15.45	38.499	
3,200.00	3,158.18	3,124.91	3,112.16	11.16	8.33	153.40	198.74	-203.85	618.82	602.83	15.99	38.699	
3,300.00	3,256.43	3,221.98	3,208.72	11.57	8.61	153.53	205.86	-210.64	642.83	626.30	16.53	38.886	
3,400.00	3,354.68	3,319.04	3,305.28	11.99	8.89	153.65	212.96	-217.41	666.85	649.78	17.07	39.061	
3,500.00	3,452.93	3,416.10	3,401.85	12.41	9.17	153.76	220.10	-224.19	690.87	673.26	17.61	39.224	
3,600.00	3,551.19	3,513.17	3,498.41	12.83	9.46	153.87	227.22	-230.97	714.90	696.74	18.16	39.377	
3,700.00	3,649.44	3,610.23	3,594.98	13.24	9.74	153.97	234.34	-237.75	738.92	720.23	18.70	39.522	
3,800.00	3,747.69	3,707.29	3,691.54	13.66	10.02	154.06	241.46	-244.53	762.95	743.71	19.24	39.657	
3,900.00	3,845.94	3,804.36	3,788.10	14.08	10.30	154.15	248.58	-251.30	786.98	767.20	19.78	39.785	
4,000.00	3,944.19	3,901.42	3,884.67	14.50	10.58	154.23	255.70	-258.08	811.01	790.69	20.32	39.906	
4,100.00	4,042.45	3,998.48	3,981.23	14.92	10.86	154.30	262.82	-264.86	835.05	814.18	20.87	40.021	
4,200.00	4,140.70	4,095.55	4,077.80	15.34	11.15	154.38	269.94	-271.64	859.08	837.67	21.41	40.129	
4,300.00	4,238.95	4,192.61	4,174.36	15.76	11.43	154.45	277.06	-278.42	883.12	861.17	21.95	40.232	
4,400.00	4,337.20	4,289.67	4,270.92	16.17	11.71	154.51	284.18	-285.19	907.15	884.66	22.49	40.330	
4,500.00	4,435.45	4,386.74	4,367.49	16.59	11.99	154.57	291.30	-291.97	931.19	908.16	23.04	40.423	
4,600.00	4,533.70	4,483.80	4,464.05	17.01	12.28	154.63	298.42	-298.75	955.23	931.65	23.58	40.511	
4,700.00	4,631.96	4,580.86	4,560.62	17.43	12.56	154.69	305.54	-305.53	979.27	955.15	24.12	40.595	
4,800.00	4,730.21	4,677.92	4,657.18	17.85	12.84	154.74	312.67	-312.30	1,003.31	978.65	24.67	40.676	
4,900.00	4,828.46	4,774.99	4,753.74	18.27	13.12	154.79	319.79	-319.08	1,027.35	1,002.14	25.21	40.752	
5,000.00	4,926.71	4,872.05	4,850.31	18.69	13.41	154.84	326.91	-325.86	1,051.39	1,025.64	25.75	40.826	
5,100.00	5,024.96	4,969.11	4,946.87	19.11	13.69	154.88	334.03	-332.64	1,075.44	1,049.14	26.30	40.896	
5,200.00	5,123.22	5,066.18	5,043.44	19.53	13.97	154.93	341.15	-339.42	1,099.48	1,072.64	26.84	40.963	
5,300.00	5,221.47	5,163.24	5,140.00	19.95	14.25	154.97	348.27	-346.19	1,123.52	1,096.14	27.38	41.028	
5,400.00	5,319.72	5,260.30	5,236.57	20.36	14.54	155.01	355.39	-352.97	1,147.57	1,119.64	27.93	41.089	
5,413.92	5,333.39	5,273.81	5,250.00	20.42	14.58	155.02	356.38	-353.91	1,150.91	1,122.91	28.00	41.098	
5,500.00	5,418.09	5,357.51	5,333.27	20.72	14.82	155.12	362.52	-359.76	1,171.04	1,142.57	28.48	41.122	
5,600.00	5,516.76	5,455.07	5,430.33	21.00	15.10	155.21	369.68	-366.57	1,192.99	1,164.00	28.99	41.153	
5,700.00	5,615.69	5,552.96	5,527.71	21.25	15.39	155.25	376.86	-373.41	1,213.39	1,183.90	29.49	41.141	
5,800.00	5,714.86	5,651.15	5,625.40	21.49	15.67	155.25	384.06	-380.26	1,232.24	1,202.25	29.99	41.090	
5,900.00	5,814.24	5,749.61	5,723.36	21.71	15.96	155.21	391.28	-387.14	1,249.53	1,219.06	30.47	41.003	
6,000.00	5,913.80	5,848.32	5,821.56	21.92	16.25	155.13	398.52	-394.03	1,265.27	1,234.32	30.95	40.881	
6,100.00	6,013.51	5,947.23	5,919.96	22.11	16.54	155.02	405.78	-400.94	1,279.45	1,248.03	31.42	40.727	
6,200.00	6,113.34	6,046.33	6,018.55	22.28	16.82	154.87	413.05	-407.86	1,292.07	1,260.20	31.87	40.543	
6,300.00	6,213.25	6,145.58	6,117.29	22.43	17.11	154.69	420.33	-414.79	1,303.15	1,270.83	32.31	40.330	
6,400.00	6,313.22	6,244.95	6,216.15	22.56	17.40	154.47	427.62	-421.73	1,312.67	1,279.93	32.74	40.090	
6,486.78	6,400.00	6,331.26	6,302.01	22.67	17.65	-0.59	433.95	-427.75	1,319.70	1,286.58	33.12	39.847	

CC - Min centre to center distance or convergent point, SF - min separation factor, ES - min ellipse separation

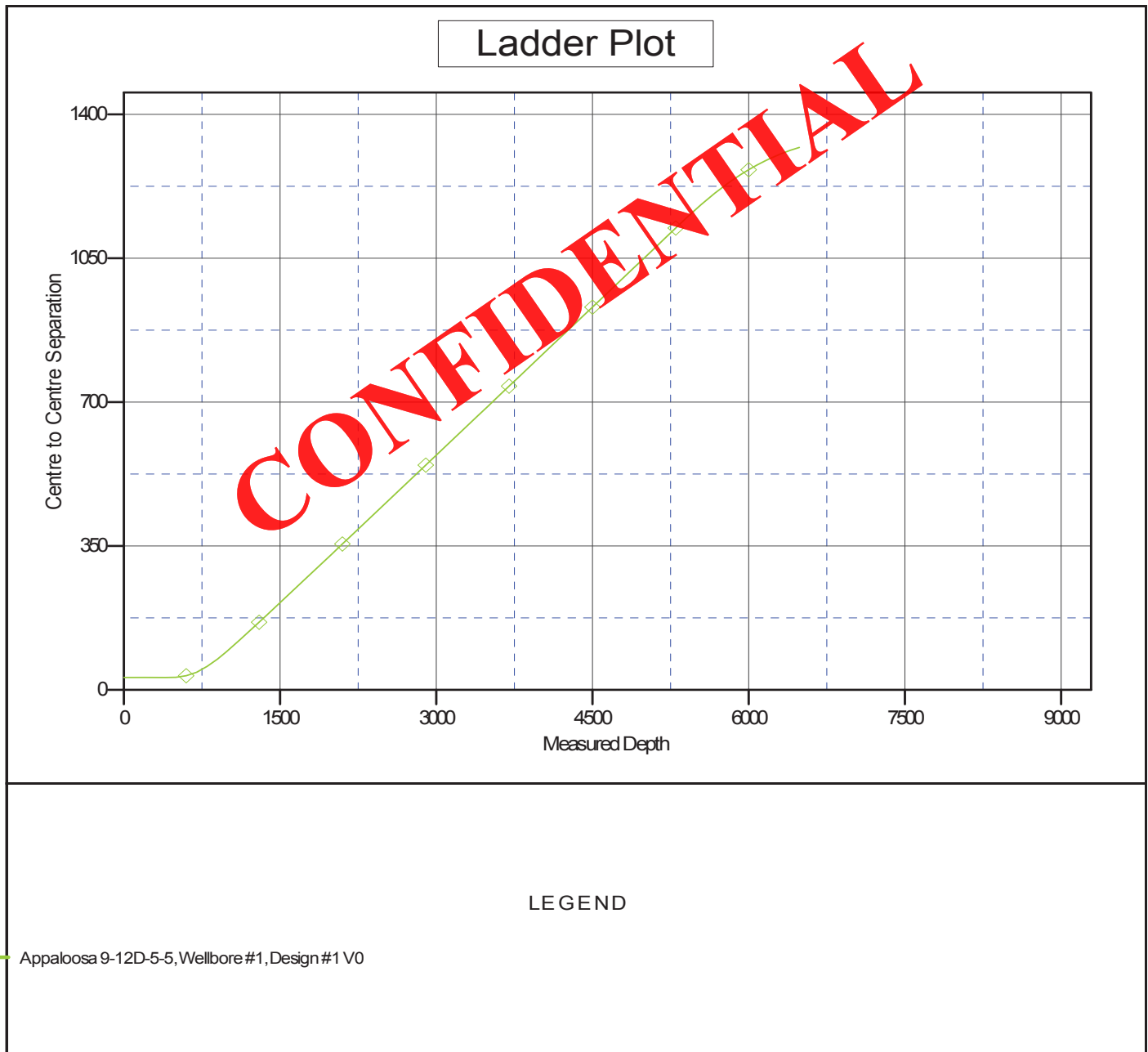
Sharewell Energy Services
Anticollision Report



Company:	Appaloosa Operating Co. LLC	Local Co-ordinate Reference:	Well Appaloosa 16-12D-5-5
Project:	Duchesne Co., UT (NAD83)	TVD Reference:	WELL @ 6293.70usft (Original Well Elev)
Reference Site:	Sec.12-T5S-R5W	MD Reference:	WELL @ 6293.70usft (Original Well Elev)
Site Error:	0.00 usft	North Reference:	True
Reference Well:	Appaloosa 16-12D-5-5	Survey Calculation Method:	Minimum Curvature
Well Error:	0.00 usft	Output errors are at	2.00 sigma
Reference Wellbore	Wellbore #1	Database:	EDM 5000.1 Single User Db
Reference Design:	Design #1	Offset TVD Reference:	Offset Datum

Reference Depths are relative to WELL @ 6293.70usft (Original Well E
Offset Depths are relative to Offset Datum
Central Meridian is 111° 30' 0.000 W

Coordinates are relative to: Appaloosa 16-12D-5-5
Coordinate System is US State Plane 1983, Utah Central Zone
Grid Convergence at Surface is: 0.71°



Sharewell Energy Services
Anticollision Report



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Well Error:	0.00 usft	Output errors are at	2.00 sigma
Reference Wellbore	Wellbore #1	Database:	EDM 5000.1 Single User Db
Reference Design:	Design #1	Offset TVD Reference:	Offset Datum

Reference Depths are relative to WELL @ 6293.70usft (Original Well E

Offset Depths are relative to Offset Datum

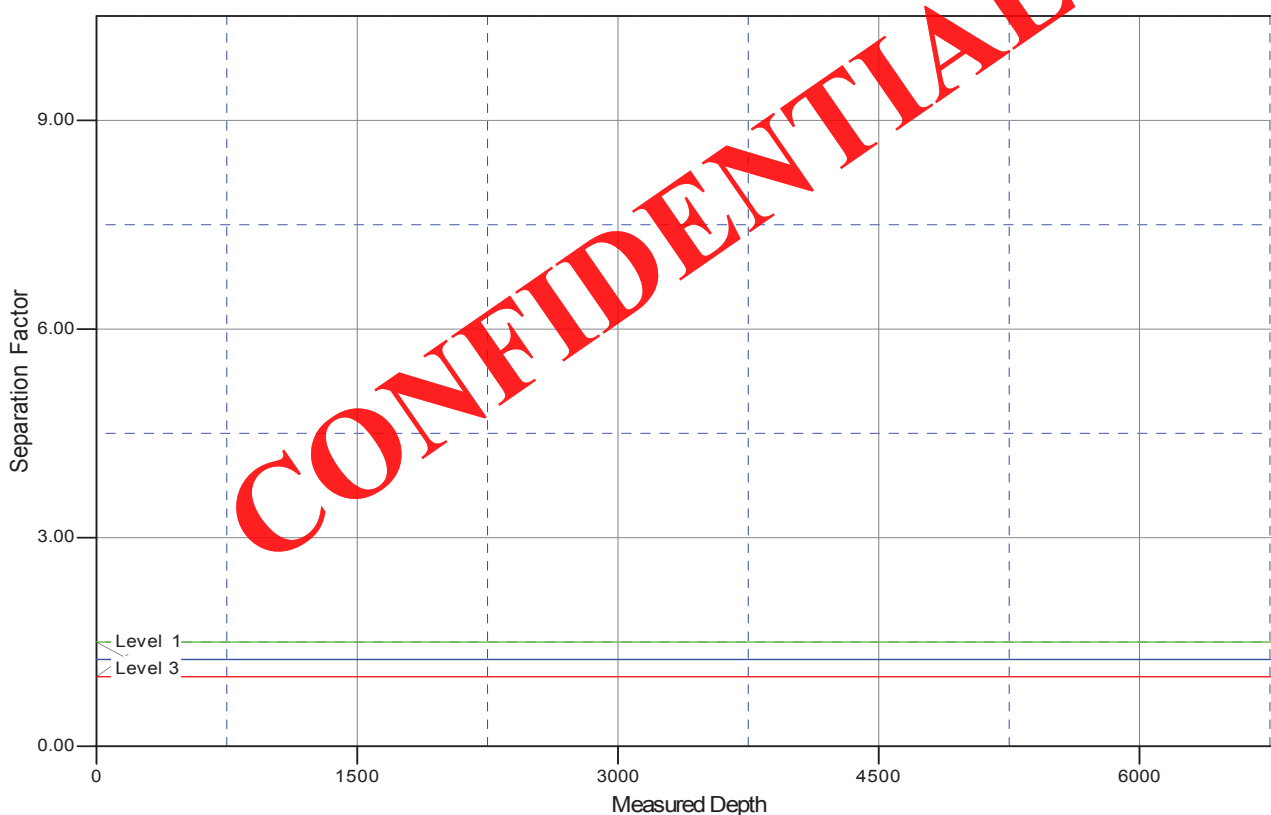
Central Meridian is 111° 30' 0.000 W

Coordinates are relative to: Appaloosa 16-12D-5-5

Coordinate System is US State Plane 1983, Utah Central Zone

Grid Convergence at Surface is: 0.71°

Separation Factor Plot



LEGEND

Appaloosa 9-12D-5-5, Wellbore #1, Design #1 V0



2615 Aviation Drive, Sheridan Wyoming 82801. Tel: 307-675-6400 Fax: 307-675-6401
www.woodgroup.com

August 1, 2012

Ms. Diana Mason
State of Utah
Division of Oil, Gas and Mining
P.O. Box 145801
Salt Lake City, UT 84114-5801

RE: Directional Drilling R649-3-11
Appaloosa 16-12D-5-5 1,540' FSL, 247' FEL (Surface)
660' FSL, 660' FEL (Bottomhole)

Dear Ms. Mason:

Pursuant to the filing of the Appaloosa 16-12D-5-5 Application for Permit to Drill regarding the above referenced well on July 25, 2012, Appaloosa is hereby submitting this letter in accordance with the Oil & Gas Conservation Rule R649-3-11 pertaining to Location and Siting of Wells.

- Appaloosa 9-12D-5-5 is located within the proposed project area.
- Appaloosa is permitting this well as a directional well in order to minimize surface disturbance. Locating the well at the surface location and directionally drilling from this location, Appaloosa will be able to utilize the existing road and pipelines in the area.
- Appaloosa hereby certifies that it is the sole working interest owner within four-hundred sixty (460) feet of the entire directional well bore.

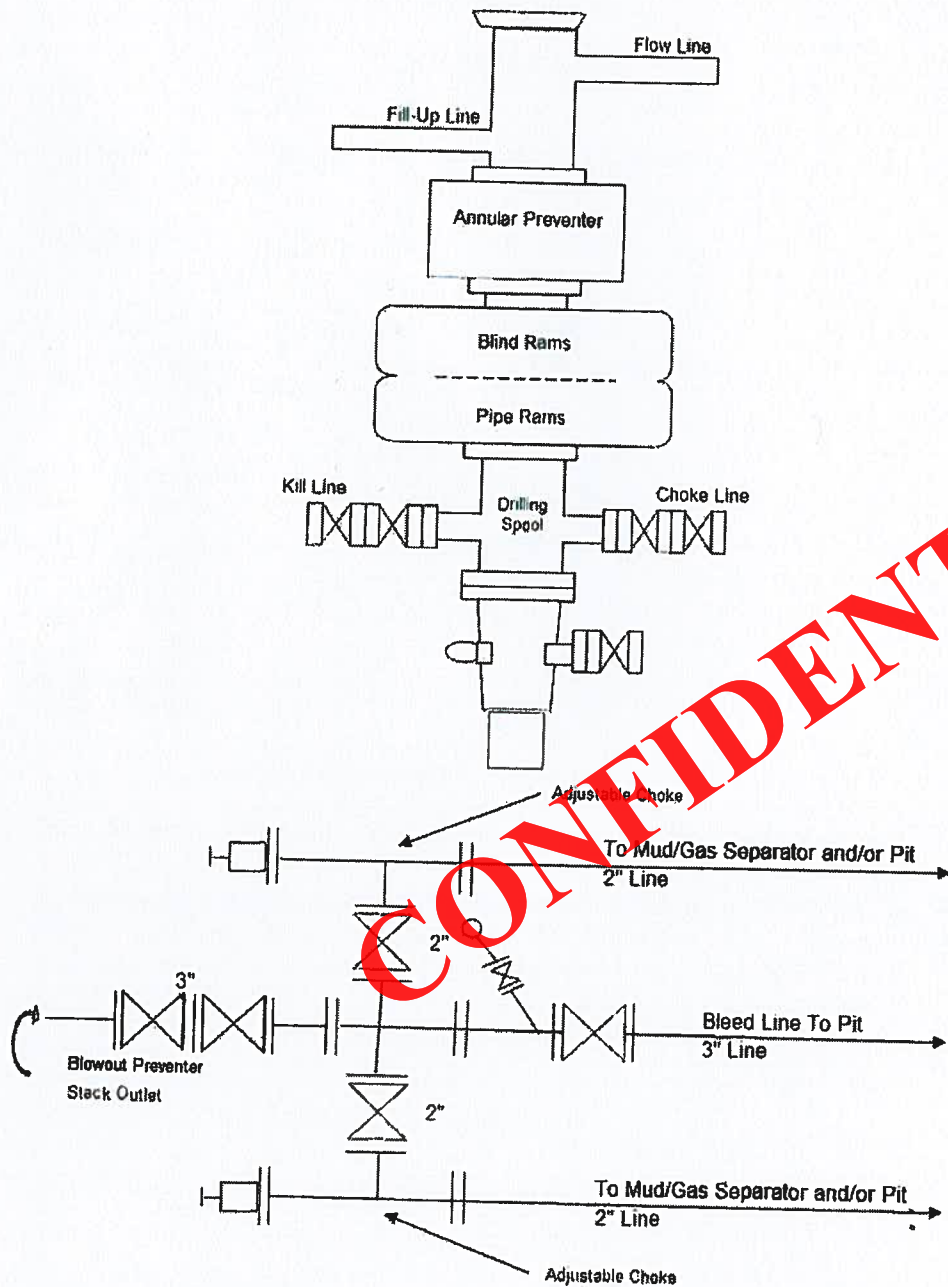
Therefore, based on the above stated information, Appaloosa requests the permit to be granted pursuant to R649-3-11.

Respectfully Submitted,

A handwritten signature in blue ink that reads 'Shirl Ames'.

Shirl Ames, Document Control Specialist
Wood Group PSN
Agent

SCHEMATIC DIAGRAM OF 2,000 PSI BOP STACK



Well Name	APPALOOSA OPERATING COMPANY LLC Appaloosa 16-12D-5-5 43013515970000			
String	SURF	PROD		
Casing Size(in)	8.625	5.500		
Setting Depth (TVD)	650	6400		
Previous Shoe Setting Depth (TVD)	0	650		
Max Mud Weight (ppg)	8.6	8.9		
BOPE Proposed (psi)	0	2000		
Casing Internal Yield (psi)	2950	4810		
Operators Max Anticipated Pressure (psi)	2000	6.0		

Calculations	SURF String	8.625	"
Max BHP (psi)	.052*Setting Depth*MW=	291	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	213	NO <input type="text" value="spud mud"/>
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	148	NO <input type="text" value="OK"/>
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	148	NO <input type="text"/>
Required Casing/BOPE Test Pressure=		650	psi
*Max Pressure Allowed @ Previous Casing Shoe=		0	psi *Assumes 1psi/ft frac gradient

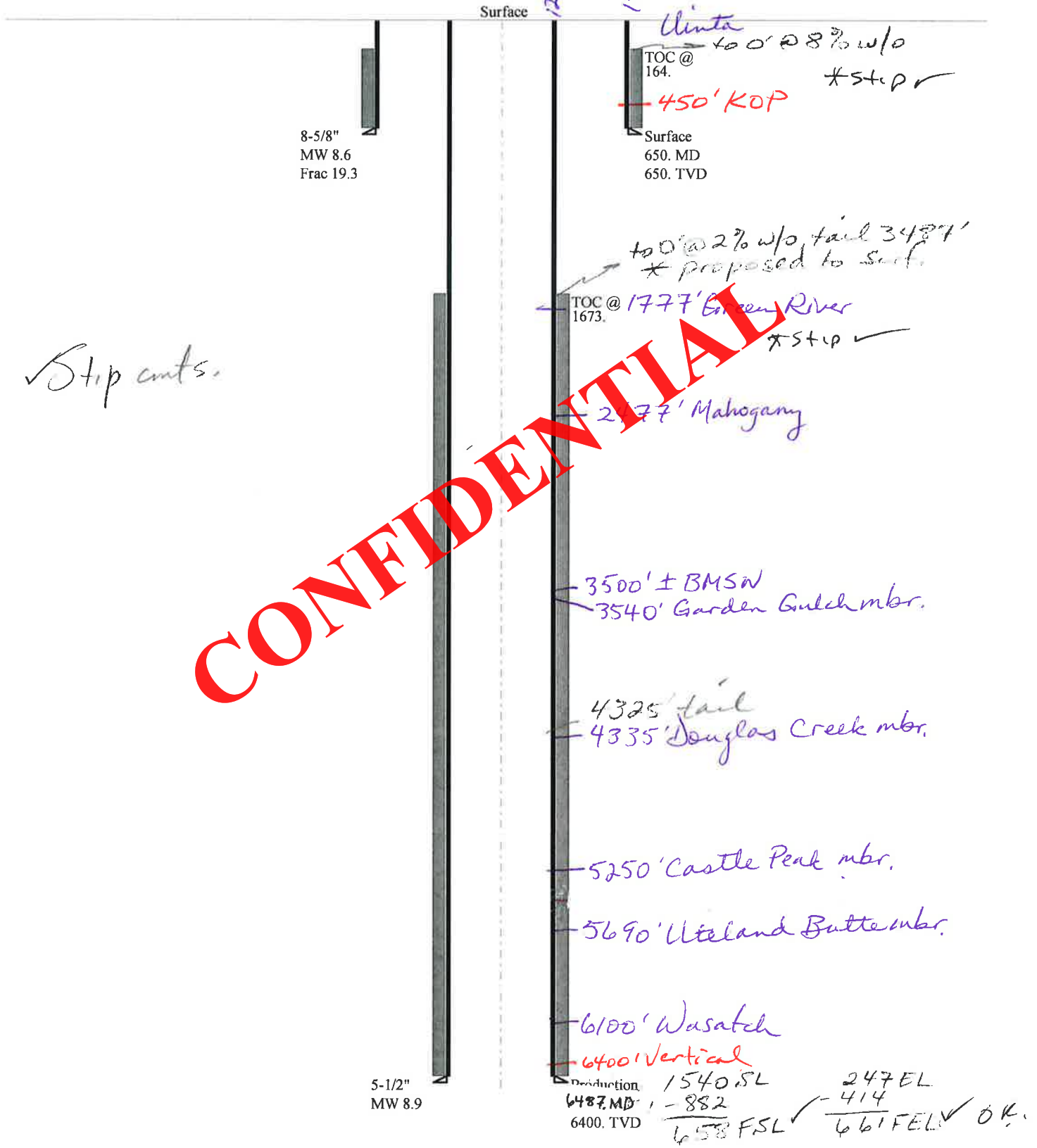
Calculations	PROD String	5.500	"
Max BHP (psi)	.052*Setting Depth*MW=	2952	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	2194	NO <input type="text"/>
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	1554	YES <input type="text" value="OK"/>
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	1697	NO <input type="text" value="REasonable"/>
Required Casing/BOPE Test Pressure=		2000	psi
*Max Pressure Allowed @ Previous Casing Shoe=		650	psi *Assumes 1psi/ft frac gradient

Calculations	String		"
Max BHP (psi)	.052*Setting Depth*MW=		
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=		NO <input type="text"/>
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=		NO <input type="text"/>
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=		NO <input type="text"/>
Required Casing/BOPE Test Pressure=			psi
*Max Pressure Allowed @ Previous Casing Shoe=			psi *Assumes 1psi/ft frac gradient

Calculations	String		"
Max BHP (psi)	.052*Setting Depth*MW=		
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=		NO <input type="text"/>
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=		NO <input type="text"/>
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=		NO <input type="text"/>
Required Casing/BOPE Test Pressure=			psi
*Max Pressure Allowed @ Previous Casing Shoe=			psi *Assumes 1psi/ft frac gradient

43013515970000 Appaloosa 16-12D-5-5

Casing Schematic



SE SE Sec 12-55-5W

Well name:	43013515970000 Appaloosa 16-12D-5-5	
Operator:	APPALOOSA OPERATING COMPANY LLC	
String type:	Surface	Project ID: 43-013-51597
Location:	DUCHESNE COUNTY	

Design parameters:**Collapse**

Mud weight: 8.600 ppg
Design is based on evacuated pipe.

Minimum design factors:**Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 74 °F
Bottom hole temperature: 83 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 100 ft

Cement top: 164 ft

Burst

Max anticipated surface pressure: 212 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 290 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.70 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.40 (B)

Tension is based on air weight.
Neutral point: 566 ft

Completion type is subs

Directional Info - Build & Drop

Kick-off point: 450 ft
Departure at shoe: 7 ft
Maximum dogleg: 2 °/100ft
Inclination at shoe: 4 °

Re subsequent strings:

Next setting depth: 0 ft
Next mud weight: 8.900 ppg
Next setting BHP: 0 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 650 ft
Injection pressure: 650 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	650	4.625	24.00	J-55	ST&C	650	650	7.972	3346
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	290	1343	4.625	290	2950	10.16	15.6	244	15.64 J

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & Mining

Phone: 801-538-5357
FAX: 801-359-3940

Date: October 1, 2012
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 650 ft, a mud weight of 8.6 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Collapse strength is (biaxially) derated for doglegs in directional wells by multiplying the tensile stress by the cross section area to calculate a

Well name:	43013515970000 Appaloosa 16-12D-5-5		
Operator:	APPALOOSA OPERATING COMPANY LLC		
String type:	Production	Project ID:	43-013-51597
Location:	DUCHESNE COUNTY		

Design parameters:**Collapse**

Mud weight: 8.900 ppg
Design is based on evacuated pipe.

Minimum design factors:**Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 74 °F
Bottom hole temperature: 164 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 100 ft

Cement top: 1,673 ft

Burst

Max anticipated surface pressure: 1,551 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 2,959 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.60 (B)

Tension is based on air weight.
Neutral point: 5,622 ft

Completion type is subs

Directional well information:

Kick-off point 450 ft
Departure at shoe: 975 ft
Maximum dogleg: 2 °/100ft
Inclination at shoe: 0 °

Run Seq	Segment Length (ft)	Size (in)	Normal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	6487	5.5	16.50	J-55	LT&C	6400	6487	4.825	22906
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	2959	4016	1.357	2959	4810	1.63	99.2	217	2.19 J

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & Mining

Phone: 801 538-5357
FAX: 801-359-3940

Date: October 3, 2012
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 6400 ft, a mud weight of 8.9 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Collapse strength is (biaxially) derated for doglegs in directional wells by multiplying the tensile stress by the cross section area to calculate a

Engineering responsibility for use of this design will be that of the purchaser.

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator APPALOOSA OPERATING COMPANY LLC
Well Name Appaloosa 16-12D-5-5
API Number 43013515970000 **APD No** 6385 **Field/Unit** BRUNDAGE CANYON
Location: 1/4,1/4 NESE **Sec** 12 **Tw** 5.0S **Rng** 5.0W 1540 FSL 247 FEL
GPS Coord (UTM) 552218 4434367 **Surface Owner** Utah Division of Wildlife Resources

Participants

Brad Posey, John Whiteside - Appaloosa Operating; Ricky Hendricks, Scott Straessler, Preston Anesi - Wood Group; Alex Hansen, Ben Williams - DWR

Regional/Local Setting & Topography

This well is the Second hole on an existing pad. Host well is the 16-12D-5-5

The proposed action is within a WMA operated by Utah DWR 6 miles South of the City of Duchesne between Cottonwood and Coyote Canyons. The area is sparsely developed and described as a high desert plain with P/J, greasewood and abundant bunch grasses. The topography is mostly eroded hills and gullies with slopes much greater than 6%. The soils are rather silty overlain by a great deal of angular clastic shales. The pad is to be built alongside, and on one edge, into the foothills in a small drainage bowl shaped feature that is otherwise rather flat. Blue Grama, Indian Ricegrass and greasewood are the Dominant species.

Surface Use Plan

Current Surface Use
Wildlife Habitat

New Road
Miles

Well Pad

Width 200 Length 400

Src Const Material

Onsite

Surface Formation

UNTA

Ancillary Facilities N

Waste Management Plan Adequate? Y

Environmental Parameters

Affected Floodplains and/or Wetlands N

Flora / Fauna

High desert shrubland ecosystem. Identified or expected vegetation consists of black sagebrush, shadscale, Atriplex spp., mustard spp, rabbit brush, horsebrush, broom snakeweed, Opuntia spp and spring annuals.

Dominant vegetation;

Blue Gama, Greasewood and Pinion pine surround the proposed site.

Wildlife;

Adjacent habitat contains forbs and grasses that may be suitable browse for deer, antelope, prairie dogs or rabbits, though none were observed. Location supports habitat for wildlife. DWR determined ecosystem is critical habitat for wintering deer and elk.

Soil Type and Characteristics

silty sands with clastic shales

Erosion Issues Y

evidence of erosion is present locally and regionally

Sedimentation Issues Y

erodible soils are present onsite

Site Stability Issues N**Drainage Diversion Required? N****Berm Required? Y****Erosion Sedimentation Control Required? Y**

Methods (BMP's) on most sides needed to protect very steep slopes

Paleo Survey Run? Y Paleo Potential Observed? N Cultural Survey Run? Y Cultural Resources? N

Reserve Pit**Site-Specific Factors****Site Ranking**

Distance to Groundwater (feet)	100 to 200	5
Distance to Surface Water (feet)	300 to 1000	2
Dist. Nearest Municipal Well (ft)	>5280	0
Distance to Other Wells (feet)		20
Native Soil Type	Mod permeability	10
Fluid Type	Fresh Water	5
Drill Cuttings	Normal Rock	0
Annual Precipitation (inches)	10 to 20	5

Affected Populations

Presence Nearby Utility Conduits Not Present 0

Final Score 47 1 Sensitivity Level

Characteristics / Requirements

If used;

Pit to be dug to a depth of 8'. Because a spill or leak will have a direct path to surface water below from existing gully, pit underlayment is to be used to protect the liner from potential puncture. Pit should be fenced to prevent entry by deer, other wildlife and domestic animals. Pit to be closed within one year after drilling activities are complete.

Operator plans to use a closed loop system with a small cuttings pit.

Closed Loop Mud Required? N Liner Required? Y Liner Thickness 16 Pit Underlayment Required? N

Other Observations / Comments

API Well Number: 43013515970000

Chris Jensen
Evaluator

8/29/2012
Date / Time

CONFIDENTIAL

RECEIVED: October 09, 2012

Application for Permit to Drill

Statement of Basis

Utah Division of Oil, Gas and Mining

APD No	API WellNo	Status	Well Type	Surf Owner	CBM
6385	43013515970000	LOCKED	OW	S	No
Operator	APPALOOSA OPERATING COMPANY LLC		Surface Owner-APD	Utah Division of Wildlife Resources	
Well Name	Appaloosa 16-12D-5-5		Unit		
Field	BRUNDAGE CANYON		Type of Work	DRILL	
Location	NESE 12 5S 5W U 1540 FSL (UTM) 552202E 4434372N		247 FEL GPS Coord		

Geologic Statement of Basis

Appaloosa proposes to set 350' of surface casing at this location. The base of the moderately saline water is estimated to be at 3,500 feet in this area. This location lies on the transition between the Uinta Formation and the Green River Formation and is located on valley fill alluvium. The Uinta Formation is not expected to produce prolific aquifers. Water may be found in alluvium deposited in valley floors. The proposed location is in a recharge area for the aquifers of the Green River Formation and fresh water can be expected to be found in the Green River Formation. A search of Division of Water Rights records indicates 4 water wells within a 10,000 foot radius of the center of Section 12. Depths range from 100 to 305 feet with listed uses as irrigation, stock watering, oil exploration and domestic. Production casing cement should be brought up to or above the base of the moderately saline ground water.

Brad Hill
APD Evaluator

9/11/2012
Date / Time

Surface Statement of Basis

Operator has a surface agreement in place with DWR. I was made aware that some concessions were made. DWR has asked for a winter closure. Location is proposed in the best possible position within the spacing window. Access road enters the pad from the East.

The soil type and topography at present do combine to pose a threat to erosion or sediment/ pollution transport in these regional climate conditions. Construction standards of the Operator appear to be adequate for the proposed purpose. I recognize no special flora or animal species or cultural resources on site that the proposed action may harm though, this is excellent habitat for large game species. The location was surveyed previously for cultural and paleontological resources and an ESA consultation was initiated as the operator saw fit. DWR Representatives were invited and were in attendance for the pre-site inspection. DWR has asked (written into the Surface use agreement) that no drilling or construction activities occur during the period of December 1, through April 15 as this is critical wintering habitat for large game species. The location should be bermed to prevent spills from leaving the confines of the pad. If used, fencing around a reserve pit will be necessary once the well is drilled to prevent wildlife and livestock from entering. A synthetic liner of 16 mils (minimum) should be utilized in the reserve pit. Operator has plans for a closed loop system with a small pit for drill cuttings in place of a reserve pit. Measures (BMP's) shall be taken to protect steep slopes both cut and fill from erosion, sedimentation and stability issues on all sides of pad as well as the top soil pile as it sits

alongside the hill and can easily be washed away and lost.

Chris Jensen
Onsite Evaluator

8/29/2012
Date / Time

Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A synthetic liner with a minimum thickness of 16 mils shall be properly installed and maintained in the reserve pit.
Surface	The well site shall be bermed to prevent fluids from leaving the pad.
Surface	The reserve pit shall be fenced upon completion of drilling operations.
Surface	Steep cut and fill slopes and topsoils pile to be protected from erosion and sediment transport by appropriate use of BMP's

CONFIDENTIAL

WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 7/25/2012

API NO. ASSIGNED: 43013515970000

WELL NAME: Appaloosa 16-12D-5-5

OPERATOR: APPALOOSA OPERATING COMPANY LLC (N3845)

PHONE NUMBER: 307 675-6400

CONTACT: Shirl Ames

PROPOSED LOCATION: NESE 12 050S 050W

Permit Tech Review: ☒

SURFACE: 1540 FSL 0247 FEL

Engineering Review: ☒

BOTTOM: 0660 FSL 0660 FEL

Geology Review: ☒

COUNTY: DUCHESNE

LATITUDE: 40.05798

LONGITUDE: -110.38794

UTM SURF EASTINGS: 552202.00

NORTHINGS: 4434372.00

FIELD NAME: BRUNDAGE CANYON

LEASE TYPE: 4 - Fee

LEASE NUMBER: Fee

PROPOSED PRODUCING FORMATION(S): UTELAND BUTTE

SURFACE OWNER: 3 - State

COALBED METHANE: NO

RECEIVED AND/OR REVIEWED:

☒ PLAT☒ Bond: STATE - 0279605731☐ Potash☐ Oil Shale 190-5☐ Oil Shale 190-3☐ Oil Shale 190-13☒ Water Permit: 49-2204☐ RDCC Review:☐ Fee Surface Agreement☐ Intent to Commingle

Commingle Approved

LOCATION AND SITING:

☐ R649-2-3.

Unit:

☐ R649-3-2. General☒ R649-3-3. Exception☒ Drilling Unit

Board Cause No: R649-3-11

Effective Date:

Siting:

☒ R649-3-11. Directional Drill

Comments: Presite Completed

Stipulations: 1 - Exception Location - bhill
5 - Statement of Basis - bhill
12 - Cement Volume (3) - ddoucet
15 - Directional - dmason
23 - Spacing - dmason
25 - Surface Casing - hmacdonald

RECEIVED: October 09, 2012



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Permit To Drill

Well Name: Appaloosa 16-12D-5-5

API Well Number: 43013515970000

Lease Number: Fee

Surface Owner: STATE

Approval Date: 10/9/2012

Issued to:

APPALOOSA OPERATING COMPANY LLC, 1776 Woodstead Ct., Suite 121, The Woodlands, TX 77380

Authority:

Pursuant to Utah Code Ann. 40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of R649-3-11. The expected producing formation or pool is the UTELAND BUTTE Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

Duration:

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

Exception Location:

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

General:

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

Conditions of Approval:

In accordance with Utah Admin. R.649-3-11, Directional Drilling, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.

This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon

as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis (copy attached).

Cement volume for the 5 1/2" production string shall be determined from actual hole diameter in order to place cement from the pipe setting depth back to surface as indicated in the submitted drilling plan.

Surface casing shall be cemented to the surface.

Additional Approvals:

The operator is required to obtain approval from the Division of Oil, Gas and mining before performing any of the following actions during the drilling of this well:

- Any changes to the approved drilling plan - contact Dustin Doucet
- Significant plug back of the well - contact Dustin Doucet
- Plug and abandonment of the well - contact Dustin Doucet

Notification Requirements:

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- Within 24 hours following the spudding of the well - contact Carol Daniels
OR
submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website
at <http://oilgas.ogm.utah.gov>
- 24 hours prior to testing blowout prevention equipment - contact Dan Jarvis
- 24 hours prior to cementing or testing casing - contact Dan Jarvis
- Within 24 hours of making any emergency changes to the approved drilling program
- contact Dustin Doucet
- 24 hours prior to commencing operations to plug and abandon the well - contact Dan Jarvis

Contact Information:

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voicemail message if the person is not available to take the call):

- Carol Daniels 801-538-5284 - office
- Dustin Doucet 801-538-5281 - office
801-733-0983 - after office hours
- Dan Jarvis 801-538-5338 - office
801-231-8956 - after office hours

Reporting Requirements:

All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining,

including but not limited to:

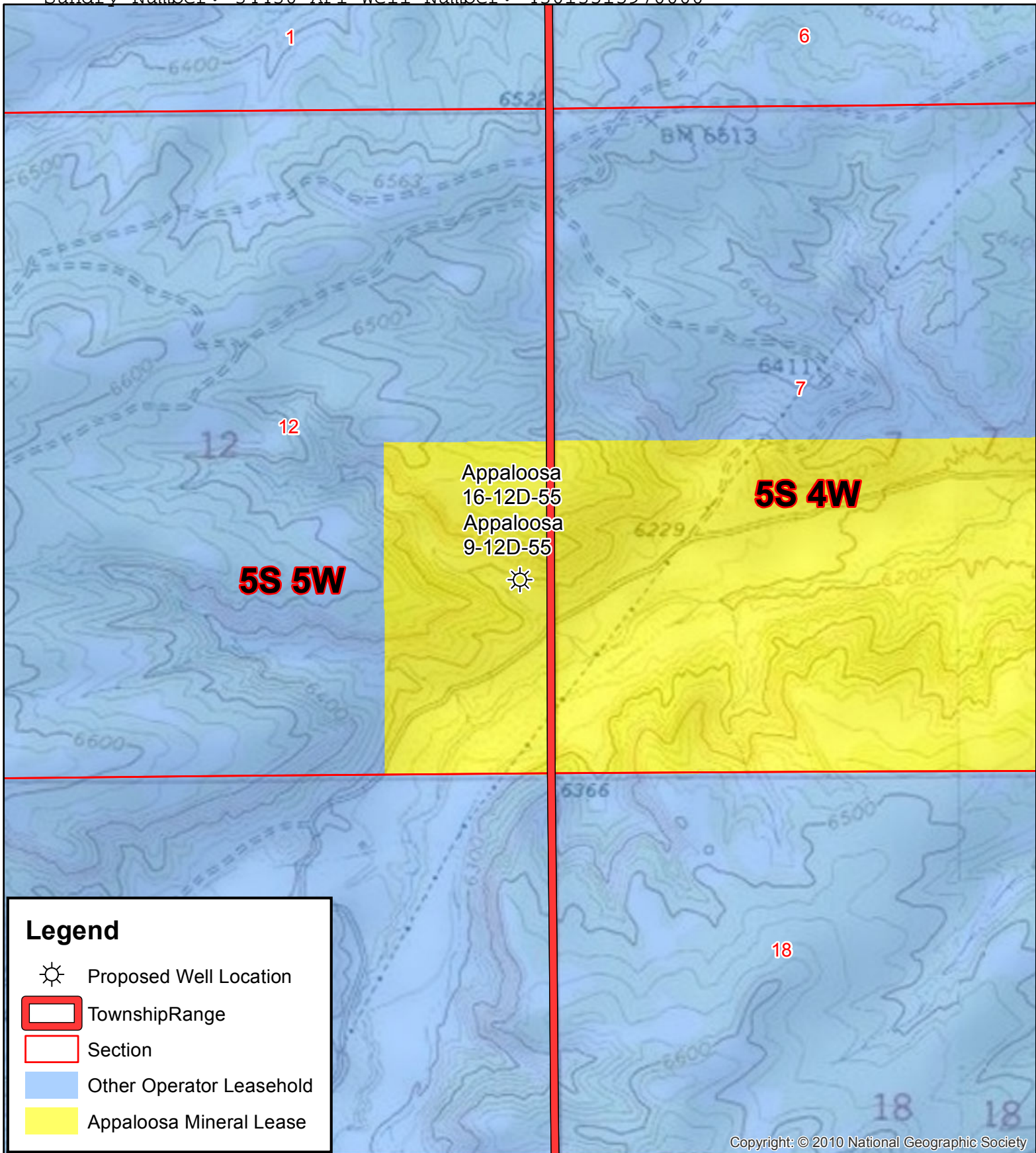
- Entity Action Form (Form 6) - due within 5 days of spudding the well
- Monthly Status Report (Form 9) - due by 5th day of the following calendar month
- Requests to Change Plans (Form 9) - due prior to implementation
- Written Notice of Emergency Changes (Form 9) - due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) - due prior to implementation
- Report of Water Encountered (Form 7) - due within 30 days after completion
- Well Completion Report (Form 8) - due within 30 days after completion or plugging

Approved By:

A handwritten signature in black ink, appearing to read "J. Rogers", written over a horizontal line.

For John Rogers
Associate Director, Oil & Gas

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
1. TYPE OF WELL Oil Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: APPALOOSA OPERATING COMPANY LLC		7. UNIT or CA AGREEMENT NAME:
3. ADDRESS OF OPERATOR: 1776 Woodstead Ct., Suite 121, The Woodlands, TX, 77380		8. WELL NAME and NUMBER: APPALOOSA 16-12D-5-5
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1540 FSL 0247 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESE Section: 12 Township: 05.0S Range: 05.0W Meridian: U		9. API NUMBER: 43013515970000
PHONE NUMBER: 832 419-0889 Ext		9. FIELD and POOL or WILDCAT: BRUNDAGE CANYON
COUNTY: DUCHESNE		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 4/15/2013 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION </div> <div style="width: 33%;"> <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input checked="" type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER </div> <div style="width: 33%;"> <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION </div> </div>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Appaloosa intends to commingle production from both the Green River and the Wasatch formations in this well.		
Approved by the Utah Division of Oil, Gas and Mining Date: February 26, 2013 By: <u>Derek Duff</u>		
NAME (PLEASE PRINT) Shirly Ames	PHONE NUMBER 307 675-6400	TITLE Document Control Specialist
SIGNATURE N/A	DATE 2/4/2013	



PREPARED FOR:



CREATED BY:



APPALOOSA ENERGY

Appaloosa 9-12D-55
Appaloosa 16-12D-55
SEC. 12, T5S, R5W
Duchesene County, UT

DRAWN BY: MANNY RODRIGUEZ
DATE: 02/04/2013
SCALE: 1 inch = 1,000 feet

MINERAL LEASE MAP

SHEET
A

RECEIVED: Feb. 04, 2013



1776 Woodstead Ct, Suite 121
The Woodlands, TX 77380

January 30, 2013

Berry Petroleum Company
1999 Broadway, Ste. 3700
Denver, CO 802202

Attn: Dennis Gustafson

Re: Notice to Commingle Production
Appaloosa 9-12D-5-5, Appaloosa 16-12D-5-5, Appaloosa 7-2-5-5, WPS 5-1-5-5 and
Smith 11A-7-5-4
Cottonwood Canyon Area
Duchesne County, Utah

Gentlemen,

Appaloosa Operating Company LLC ("Appaloosa") is submitting an Application to Commingle from the Wasatch and Green River formations in the referenced wells. In accordance with Utah Administration Rule R649-3-22 relative to completion into two or more pools, Appaloosa is hereby providing written notice to Berry Petroleum Company of the submission. Please see enclosed copies of the Application to Commingle for each of the referenced wells.

Feel free to contact Brad Posey at 832-418-0889 with any questions.

Sincerely,

Brad Posey
Managing Director

W/Enclosures

AFFIDAVIT OF NOTICE

I, **Brad Posey**, the affiant herein, being of lawful age and duly sworn upon his oath deposes and states as follows:

Brad Posey is a Managing Director of **Appaloosa Operating Company, LLC**, a Delaware Corporation, with headquarters located at 1776 Woodstead Court, Suite 121, The Woodlands, TX 77380, and is duly authorized to make this affidavit on behalf of said corporation.

Appaloosa Operating Company, LLC has submitted notices to commingle production from the Wasatch and Green River formations in the following wells lying within the Lease boundaries of the:

Appaloosa 9-12D-5-5

Appaloosa 16-12D-5-5

WPS 5-1-5-5

Appaloosa 7-2-5-5

Smith 11A-7-5-4

This Affidavit is made in accordance with Utah's Oil, Gas and Mining regulation R649-3-22. As operator, Appaloosa Operating Company LLC has provided notices to the owner(s) of all contiguous oil and gas leases or drilling units overlying the pool for the aforementioned wells to the parties listed below:

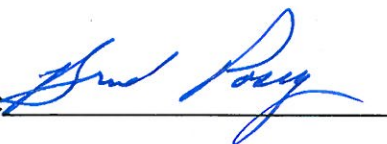
Ute Energy Upstream Holding, L.L.C.
P.O. Box 789
7074 East 900 South
Fort Duchesne, Utah 84026

Berry Petroleum Company
1999 Broadway, Suite 3700
Denver, CO 802202

Attn: Dennis Gustafson

This instrument is executed this 30th day of January, 2013.

Appaloosa Operating Company, LLC

By: _____



1776 Woodstead Ct, Suite 121
The Woodlands, TX 77380

January 30, 2013

Ute Energy Upstream Holding, L.L.C.
P.O. Box 789
7074 East 900 South
Fort Duchesne, Utah 84026

Re: Notice to Commingle Production
Appaloosa 9-12D-5-5, Appaloosa 16-12D-5-5, Appaloosa 7-2-5-5, WPS 5-1-5-5 and
Smith 11A-7-5-4
Cottonwood Canyon Area
Duchesne County, Utah

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Feel free to contact Brad Posey at 832-418-0889 with any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read "Brad Posey". The signature is fluid and cursive, with a large, stylized initial 'B'.

Brad Posey
Managing Director

W/Enclosures

AFFIDAVIT OF NOTICE

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WPS 5-1-5-5
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Ute Energy Upstream Holding, L.L.C.
P.O. Box 789
7074 East 900 South
Fort Duchesne, Utah 84026

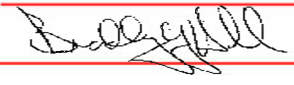
Berry Petroleum Company
1999 Broadway, Suite 3700
Denver, CO 802202

Attn: Dennis Gustafson

This instrument is executed this 30th day of January, 2013.

Appaloosa Operating Company, LLC

By: 

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
1. TYPE OF WELL Oil Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: APPALOOSA OPERATING COMPANY LLC		7. UNIT or CA AGREEMENT NAME:
3. ADDRESS OF OPERATOR: 1776 Woodstead Ct., Suite 121, The Woodlands, TX, 77380		8. WELL NAME and NUMBER: APPALOOSA 16-12D-5-5
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1540 FSL 0247 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESE Section: 12 Township: 05.0S Range: 05.0W Meridian: U		9. API NUMBER: 43013515970000
PHONE NUMBER: 832 419-0889 Ext		9. FIELD and POOL or WILDCAT: BRUNDAGE CANYON
COUNTY: DUCHESNE		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 6/1/2014 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION </div> <div style="width: 33%;"> <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER </div> <div style="width: 33%;"> <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100%;" type="text"/> </div> </div>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. <div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> Appaloosa wishes to extend the permit for one more year, until 10/9/2014. </div> <div style="width: 35%; text-align: right;"> Approved by the Utah Division of Oil, Gas and Mining Date: <u>September 25, 2013</u> By: <u></u> </div> </div>		
NAME (PLEASE PRINT) Terrie Hoyer	PHONE NUMBER 713 410-9479	TITLE Sr. Geotech
SIGNATURE N/A		DATE 9/23/2013



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43013515970000

API: 43013515970000

Well Name: APPALOOSA 16-12D-5-5

Location: 1540 FSL 0247 FEL QTR NESE SEC 12 TWNP 050S RNG 050W MER U

Company Permit Issued to: APPALOOSA OPERATING COMPANY LLC

Date Original Permit Issued: 10/9/2012

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? ☒ Yes ☐ No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? ☐ Yes ☒ No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? ☐ Yes ☒ No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? ☐ Yes ☒ No
- Has the approved source of water for drilling changed? ☐ Yes ☒ No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? ☐ Yes ☒ No
- Is bonding still in place, which covers this proposed well? ☒ Yes ☐ No

Signature: Terrie Hoye

Date: 9/25/2013

Title: Sr. Geotech Representing: APPALOOSA OPERATING COMPANY LLC

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Oil Well	8. WELL NAME and NUMBER: APPALOOSA 16-12D-5-5	
2. NAME OF OPERATOR: APPALOOSA OPERATING COMPANY LLC		9. API NUMBER: 43013515970000
3. ADDRESS OF OPERATOR: 1776 Woodstead Ct., Suite 121, The Woodlands, TX, 77380	PHONE NUMBER: 832 419-0889 Ext	9. FIELD and POOL or WILDCAT: BRUNDAGE CANYON
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1540 FSL 0247 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESE Section: 12 Township: 05.0S Range: 05.0W Meridian: U		COUNTY: DUCHESNE
		STATE: UTAH

11.


CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 4/15/2015	<input type="checkbox"/> ACIDIZE <input checked="" type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER: <input type="text" value="extension"/>
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:			
<input type="checkbox"/> SPUD REPORT Date of Spud:			
<input type="checkbox"/> DRILLING REPORT Report Date:			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Appaloosa wishes to extend the permit for one more year, until
 10/9/2015.

Approved by the
 October 15, 2014
 Oil, Gas and Mining

Date: _____
 By: 

NAME (PLEASE PRINT) Terrie Hoyer	PHONE NUMBER 713 410-9479	TITLE Sr. Geotech
SIGNATURE N/A		DATE 10/9/2014



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43013515970000

API: 43013515970000

Well Name: APPALOOSA 16-12D-5-5

Location: 1540 FSL 0247 FEL QTR NESE SEC 12 TWNP 050S RNG 050W MER U

Company Permit Issued to: APPALOOSA OPERATING COMPANY LLC

Date Original Permit Issued: 10/9/2012

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? ☒ Yes ☐ No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? ☐ Yes ☒ No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? ☐ Yes ☒ No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? ☐ Yes ☒ No
- Has the approved source of water for drilling changed? ☐ Yes ☒ No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? ☐ Yes ☒ No
- Is bonding still in place, which covers this proposed well? ☒ Yes ☐ No

Signature: Terrie Hoye

Date: 10/9/2014

Title: Sr. Geotech **Representing:** APPALOOSA OPERATING COMPANY LLC

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

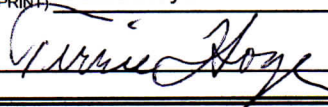
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER:
2. NAME OF OPERATOR: APPALOOSA OPERATING COMPANY, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1776 Woodstead Ct, Suite 12 CITY The Woodlands STATE TX ZIP 77380		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1540 FSL 247 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 12 5S 5W U		8. WELL NAME and NUMBER: Appaloosa 16-12D-5-5
PHONE NUMBER: (832) 419-0889		9. API NUMBER: 4301351597
		10. FIELD AND POOL, OR WILDCAT: BRUNDAGE CANYON
		COUNTY: DUCHESNE
		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: 4/15/2015	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input checked="" type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: permit extension
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Appaloosa wishes to extend the permit for one more year, until 10/9/2015.

NAME (PLEASE PRINT) <u>Terrie Hoyer</u>	TITLE <u>Sr. Geotech</u>
SIGNATURE <u></u>	DATE <u>10/9/2014</u>

(This space for State use only)

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 4301351597
Well Name: Appaloosa 16-12D-5-5
Location: 1540 FSL 247 FEL
Company Permit Issued to: APPALOOSA OPERATING COMPANY, LLC
Date Original Permit Issued: 10/9/2012

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐



Signature

10/9/2014

Date

Title: Sr. Geotech

Representing: Appaloosa Operating Company, LLC



GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

October 15, 2015

Appaloosa Operating Company, LLC
1776 Woodstead Ct, Suite 121
The Woodlands, TX 77380

Re: APD Rescinded – Appaloosa 16-12D-5-5, Sec. 12, T. 5S, R. 5W
Duchesne County, Utah API No. 43-013-51597

Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on October 9, 2012. On September 25, 2013 and October 15, 2014 the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective October 15, 2015.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason
Environmental Scientist

cc: Well File
Brad Hill, Technical Service Manager
SITLA, Ed Bonner